



Daily Report

Central Eurasia

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Yeltsin Addresses CSCE Summit

ITAR-TASS reports Yeltsin's 10 July address to the CSCE summit held in Helsinki. Regarding European and Central Eurasian conflicts, Yeltsin said: "We want to stop conflicts from getting out of hand, and we want to alleviate people's sufferings. CSCE peacekeeping operations must be quick and effective." Yeltsin went on to say that the regional nuclear threat has "many facets." "We have not concluded an agreement with the United States to reduce strategic offensive weapons by two thirds just so that we can be faced with a nuclear threat from a different direction—from nuclear power stations. Russia will do everything possible to eliminate this threat."

Russian Regions Closed To Foreigners

The Russian Government adopted a document "prohibiting foreigners from visiting several regions and cities in the Russian Federation," ITAR-TASS reports. Sixteen regions are on the list including part of the Kamchatka peninsula and "several areas in the Moscow, Leningrad, Orenburg, Nizhny Novgorod, Arkhangelsk, Murmansk, Sverdlovsk, Chelyabinsk, Kaliningrad, Volgograd, Astrakhan and Krasnoyarsk regions." Foreigners will now have to obtain permission either from the Russian Security Ministry or local security bodies in order to visit these areas.

Russian Media Ban on Lebed Denied

The Russian Defense Ministry denied reports that Major General A. Lebed, commander of the 14th Army stationed in Moldova, had been banned from giving interviews, KOMSOMOLSKAYA PRAVDA reports. The Defense Ministry press center claimed "no restrictions were placed on contacts between journalists" and the commander, who is not a "bad general but he does sometimes say inopportune things," and "no one knows where this information...came from and whose interests it serves."

Georgian Deputy Prime Minister Taken Hostage

INTERFAX reports that on 9 July supporters of former Georgian President Zviad Gamsakhurdia blew up a car holding Deputy Prime Minister Aleksandr Kavsadze. "The driver died. Kavsadze, the chairman of the regional board and the chief physician of the region who accompanied him were captured as hostages. There is no information about them yet." A 10 July INTERFAX report stresses that, at the time, "Kavsadze was going to the negotiations with the supporters of the Georgian ex-president."

Cease-Fire in Nagorno-Karabakh Addressed

ITAR-TASS reports that the Armenian Government "has appealed to Nagorno-Karabakh authorities, urging them to respond to the CSCE's call for a 30-day cease-fire. Raffaelli spoke on behalf of the Minsk meeting preparation group on Nagorno-Karabakh." INTERFAX reports that, according to the deputy chairman of the Council of Ministers of Nagorno-Karabakh, Nagorno-Karabakh "positively assesses" the cease-fire proposal. The Armenian permanent representative in Moscow said that he has the impression that "the consent on cease-fire which was already announced in Baku has a propagandistic character and the Azeris are not interested in a real truce."

Moscow Radio reports that as a result of the meetings at the CSCE summit in Helsinki on held on 9 July, it was "decided to send peacekeeping forces to Nagorno-Karabakh. They will control the observance of the cease-fire agreement, will be engaged in the withdrawal of the armed formations, and will assist in the distribution of humanitarian aid to refugees."

CSCE Summit in Helsinki**Yeltsin Addresses CSCE Summit**

*LD1007103892 Moscow ITAR-TASS World Service
in Russian 0945 GMT 10 Jul 92*

[Report by ITAR-TASS special correspondent]

[Text] Helsinki, 10 Jul—President Boris Yeltsin of the Russian Federation today addressed the summit of the CSCE heads of states and governments taking place in the Finnish capital. He said: Esteemed Mr. Chairman, Esteemed Finnish President Koivisto, esteemed conference participants: We have gathered in Helsinki to respond to the new challenge of the times! The specter of communism has left Europe's confines forever.

As we approach the 21st century, we are thinking of what will become of Europe in the next 100 years.

To the outside observer, this issue is insoluble. Cold reflection and mechanically adding up the problems and possibilities are not enough to find an answer.

The image of the Europe of the future will only be accessible to the person who is prepared to take decisive action and to spare neither energy nor will in the most complex creative work.

I am convinced that freedom and democracy are the natural condition of our continent. It took many centuries to reach this condition, and the road to it was tortuous. It cost the lives of millions of Europeans. It was a truly tragic road!

Europe has changed and taken on a new dimension. A new era has begun. This has brought new hopes and concerns to all of us and charged us all with unprecedented responsibility.

We are particularly sharply aware today that the new phase in the freedom of the European community requires of us redoubled efforts to preserve peace and stability on the continent.

Russia is deeply aware of the danger of aggressive nationalism, which is now trying to replace the struggle of ideologies. This endemic disease can run out of control, and it will not take long to affect enormous masses of people and whole states. If urgent measures are not taken in the legislative, political, information, and even military spheres, this disease may become the real plague of the 21st century. The fires of bloody conflicts are already raging on the continent. I share the pain with which the blood spilled in Yugoslavia, Moldova, Ossetia, and Karabakh is echoed in the hearts of Europeans. Together, we are beginning to realize that even a local conflict may wipe out decades of efforts on the part of politicians and diplomats. If Europe is dear to us, we must and we can put a stop to them. There are no dead-end situations in trying to prevent and settle conflicts. The politicians' very first duty is to follow this truth. What is needed is action and persistence. While

creating the European deterrence and rapid reaction forces, we must take into account the experience of the UN organization. Above all, these forces must be brought into action at the right time, that is, not when blood is already being spilled, but when conflicts are at their nascent stage.

We want to stop conflicts from getting out of hand, and we want to alleviate people's sufferings. CSCE peace-keeping operations must be quick and effective.

For the first time, Europe is having to tackle problems of maintaining security under conditions of steadily reducing the numbers and might of the armed forces.

Today, we understand that this is no less complicated an art than existence under conditions of nuclear deterrence.

The nuclear threat has many facets. The terrible shadow of Chernobyl has left an impression on Europe's memory forever. From this rostrum I state: We have not concluded an agreement with the United States to reduce strategic offensive weapons by two thirds just so that we can be faced with a nuclear threat from a different direction—from nuclear power stations. Russia will do everything possible to eliminate this threat.

For many years, it was demanded of Russia that it observe human rights. It was correct to do so, too. At present, Russia itself insists on this. We see that provisions that make discrimination on ethnic grounds a norm are becoming enshrined in the legislative acts of some countries. We resolutely reject such actions, because they affect the interests of millions of our fellow countrymen. This kind of approach is alien to the elementary norms of the ethics of our civilization and to the sacred principle of freedom. At present, it is culture that has an acute need for politicians to act in solidarity. In its unique diversity, it is indivisible and belongs in common to humanity. A monument to I. Kant, the great European philosopher, was rebuilt in Kaliningrad, in Russia, quite recently. It had been destroyed during the Second World War. Many years later, it again came to occupy its previous site. In this fact, we see a big reproach and a big victory alike. I want this symbolic return to also become a symbol of our common consensus to live in peace. Culture does not have its main and its secondary links. The spiritual values of the biggest and of the smallest nation are of equal significance as far as civilization is concerned.

From its own experience, Russia knows how pernicious its loss is, not only for national distinctiveness and language, but above all for the preservation of humanity in our entire life.

The cultural property of the small northern people needs special protection. We support, in this respect, Norway's initiative. This property is especially fragile! I believe that the CSCE's potential should be put into operation in full measure in this regard.

The strategic reorganization of Europe, which has not only become inevitable but has indeed begun, confronts us all with a choice. Either we can move resolutely ahead, responding to the challenges of the times, or we can give in to the flow of circumstances and retreat from the principles that we have proclaimed.

I think that only now are we beginning to realize the real significance of the process that arose in Helsinki in 1975. It was perhaps the first time in the world's history that the individual, his interests, his rights, and his liberties were put at the center of world politics.

The people who were in at the origins of the Helsinki process could scarcely have imagined what an enormous distance would be traveled in just one and a half decades.

Today, we note the fact that the European process has moved far beyond the limits of the continent. This is greatly to the merit of our hosts—Finland, Helsinki, President M. Koivisto and his predecessors. This is the first time that I have taken part in such an esteemed assembly and, I admit, I am full of admiration for the significance of the work being carried out in this hall.

Moldova's Snegur Requests Peacekeeping Operation

LD1007084292 Moscow ITAR-TASS in English
0747 GMT 10 Jul 92

[Text] Helsinki July 10 TASS—Speaking at the CSCE summit on Thursday [9 July], Moldovan President Mircea Snegur said that Moldova hailed creation of CSCE structures and of new, more effective mechanisms, designed to react rapidly to new conflicts and prevent them.

Moldova encounters opposition from reactionary forces, certain units of the former Soviet Army deployed in the eastern regions of the country. These destructive forces receive lavish material and military aid from conservative structures and, under the pretext of protection of minority rights, wage a war against constitutional bodies of power.

The command of foreign troops has recently issued statements calling to question the legitimacy of the Moldovan leadership, called for redrawing existing borders. Aware of the danger posed by conservative revanchist circles, Moldova will continue to rely on Russia's democratic forces led by President Yeltsin in dealing with the conflict.

"We welcome efforts undertaken by Russia, Romania, and Ukraine in the framework of the mechanism of four. We express gratitude to the United States, as well as EC countries, other CSCE states for their steadfast stand and support for our efforts in defence of independence and preservation of integrity of the Republic of Moldova. Nevertheless, in order to find a final solution of the conflict, we would like to ask to consider the question of using the CSCE mechanism for peace-keeping operations in relation to our situation."

Peacekeeping Forces Set for Nagorno-Karabakh

LD0907172592 Moscow Mayak Radio Network
in Russian 1300 GMT 9 Jul 92

[Text] At today's meeting of the member countries of the Helsinki agreement, according to a report by foreign agencies, it was decided to send peacekeeping forces to Nagorno-Karabakh. They will control the observance of the cease-fire agreement, will be engaged in the withdrawal of the armed formations, and will assist in the distribution of humanitarian aid to refugees.

CSCE Leaders Sign Conventional Forces Accord

LD1007084692 Moscow ITAR-TASS in English
0742 GMT 10 Jul 92

[Text] Helsinki July 10 TASS—Leaders of 29 countries at the CSCE summit on Friday [10 July] signed a final document on the talks regarding the numerical strength of Conventional Forces in Europe. These talks were conducted in Vienna by delegations of NATO countries and the former Eastern bloc.

Based on the principle of sufficiency, the document provides for limiting conventional armed forces deployed on land within the operation area as defined in the conventional forces treaty in Europe. Limits take account of the obligations to preserve a military potential which is necessary to prevent a war and ensure effective defense.

Further on Yeltsin's Georgian, Polish Talks

LD0907154192 Moscow ITAR-TASS World Service
in Russian 1329 GMT 9 Jul 92

[Text] Helsinki, 9 July (ITAR-TASS)—The all-European summit meeting which has opened in the Finnish capital includes not only speeches by heads of states from the rostrum of the forum but also high-pressure work behind the scenes. Russian Federation President Boris Yeltsin today met Eduard Shevardnadze, chairman of the State Council of Georgia. Following a 30-minute conversation, the two leaders did not conceal their satisfaction with the results of their dialogue. In particular they discussed the settlement of the Georgian-Ossetian conflict and the implementation of the Dagomys agreements.

We, Yeltsin told journalists, have summed up the results of our meeting in Dagomys. Everything is proceeding the way we have agreed: disengaging troops; sending in observers; preparing military formations for action in the disengagement zone; and, of course, implementing a cease-fire. We have set up diplomatic relations with Georgia and support its becoming a UN member. A fully fledged treaty between Russia and Georgia is now being drawn up.

According to Shevardnadze's assessment, the process which began in Dagomys is assuming a more specific and practical form. What is involved is the addressing of

issues connected with setting up a control commission, a group of observers, and equipping it with technical means. The peacekeeping forces to be stationed in that corridor will be recruited from Georgians, Ossetians, and Russians. I think that in Dagomys we managed to work out a good and practical scenario for settling the conflict. It is quite possible that this will be the first acute conflict which may be settled.

A conversation also took place between Boris Yeltsin and Polish President Lech Walesa. Vyacheslav Kostikov, the Russian president's press secretary, briefed the press on the meeting. According to Kostikov, while remembering his recent visit to Moscow, Walesa described it as a good and strong beginning and stressed that Poland wants to move alongside Russia in the future. As old neighbors, Walesa stressed, we would ideally like to have relations with Russia based on the principles of close cooperation.

Yeltsin agreed with the way Walesa formulated the issue; that the time has come to move from political declarations and statements about intentions to solve specific problems in relations between the two countries. The first group of problems is connected with the withdrawal of Russian troops from Poland, whereas the second problem relates to the restoration and development of cooperation in the economic sphere.

Also under discussion was the question of convening a Russian-Polish economic conference as early as August. The two presidents agreed that the conference must be convened regardless of the pace at which the Polish Government is formed. The venue for the conference was also discussed. It will be held in Kaliningrad. Gaydar will possibly chair it. The Polish side expressed great satisfaction over the fact that an agreement on the withdrawal of troops has been signed with Russia. True, several complex problems, which are somewhat similar in nature to the problems of the withdrawal of troops from the Baltic Republics, still remain. In other words, there is a political solution.

Both sides reached full understanding but the construction of housing for the contingents which are being withdrawn is proceeding very slowly. The Polish side put forward a very interesting proposal. It intends to display its own initiative and ask the West to allocate social funds for the construction of housing for the military. What is involved is not the credits but direct subventions. This will naturally create conditions for the faster withdrawal of troops from Poland. Yeltsin proposed that in respect to Poland, "the zero option" should be repeated, as far as property and mutual claims are concerned; that is, that the same actions which were taken in the withdrawal of troops from Hungary and Czechoslovakia should be taken. Yeltsin agreed with the fact that it would be ridiculous to scrap the airports and other major sites. It would be better to take this Russian military property into account when the damages caused by the presence of troops to the environment are calculated.

As everyone knows, before the summit in Helsinki, Boris Yeltsin and Leonid Kravchuk called for convening an emergency session of the CSCE Council of Foreign Ministers to discuss acute conflict situations in the zone supervised by the CSCE. The Russian delegation is now working behind the scenes on convening this meeting in the framework of the summit. What is essential is to consider the situation in the Dniester region.

Yeltsin, Shevardnadze Talks Noted

PM1007104192 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 10 Jul 92 p 3

[Special correspondent G. Sapozhnikova report: "CIS in the CSCE"]

[Excerpts] Helsinki—A meeting of CSCE heads of state and government is being held in Helsinki. [passage omitted]

Journalists, who were briefly allowed into the Russian delegation's hall for the meeting between Shevardnadze and Yeltsin, managed to jot down exactly four words exchanged between the politicians: "The tension has dropped...."

It was hard to struggle with Boris Nikolayevich Yeltsin's bodyguards. It is quite possible that journalists would simply have been left in the dark had it not been for the particular zeal of the security men and the presence of a couple of women in the journalistic herd.

"Wait a moment—you cannot treat women like that," Yeltsin said, swinging round sharply, thanks to which it was possible to ask him a whole two questions:

"Your words to the effect that the problem of the Karelian territories does not exist provoked a big sensation in the Finnish press. In your opinion, could this question become yet another problem for us, and if so, how serious?"

"We will discuss this with Koivisto when my official visit to Finland begins."

"What did you talk about with Shevardnadze?"

"We summed up what has happened since our meeting in Dagomys. So far everything is going as we planned—the separation of troops, the introduction of observers, the training of military formations to send into this zone, a cease-fire, and the establishment of diplomatic relations with Georgia."

Georgian security officers are respectable, smart men; they do not shove women aside, but treat them politely. Shevardnadze therefore had time to say that the peace-making forces which will form a demarcation corridor in the conflict zone will have nothing to do with the CIS Army.

Sergey Yastrzhembskiy, director of the Russian Ministry of Foreign Affairs Department of Information and the

Press, hinted to journalists that Yeltsin and Kravchuk had called for the council of foreign ministers of the conference member states to be convened to discuss the conflict in the Dniester region. According to information that has been received, the Russian delegation is working flat out on this idea. [passage omitted]

Yeltsin Meets With Romania's Iliescu

*LD0907203192 Moscow Russian Television Network
in Russian 1900 GMT 9 Jul 92*

[Video report by unidentified correspondents in Helsinki on 9 July, including recorded remarks by President Yeltsin; from the "Vesti" newscast]

[Text] [correspondent] At the Helsinki conference today journalists studied the draft documents which the heads of the 50 or so states will be signing tomorrow. The goal of the diplomats has been achieved. Compromises between states are definitely necessary, but they do have their reverse side. In particular, the CSCE mechanism for settling conflicts which is now being set up does not provide for enforcement actions. This means that the CSCE will evidently be incapable of reacting fast and effectively to bloodshed in this or that part of Europe. Once that is so, it means that after Helsinki-II, the main responsibility for peace will, as before, rest on the great powers and the UN Security Council.

[Second correspondent] Nevertheless there are grounds for cautious optimism, at any rate on the part of the presidents of Russia and Romania. Boris Yeltsin and Ion Iliescu discussed the details of introducing disengagement forces into Moldova, and stated that a full-scale Russian-Romanian treaty is now ready.

[Yeltsin] We further agreed that the signing of the treaty would be timed to coincide with the cessation of firing in Moldova, the beginning of the process of separating the forces, and with introducing our joint military formations there.

[Second correspondent] Tomorrow morning speech No. 44 will be heard. Boris Yeltsin will be addressing his counterparts.

Russia's Kozyrev Meets Finnish Counterpart

*LD0907200292 Moscow ITAR-TASS in English
1905 GMT 9 Jul 92*

[By ITAR-TASS special correspondent]

[Text] Helsinki April 9 TASS—Russian Foreign Minister Andrey Kozyrev met on Thursday [9 July] with his Finnish counterpart Paavo Vayrynen to discuss the preliminary results of the European summit in Helsinki. The Russian minister said he regards the results achieved as the major success of the European process and of Finnish diplomacy which has played an important role in preparing the meeting.

On his part, the Finnish foreign minister expressed satisfaction with the summit and with the contents of the prepared documents which heads of state and government will sign on Friday [10 July], the closing day of the forum.

Sergey Yastrzhembskiy, the spokesman for the Russian Foreign Ministry, told ITAR-TASS that both ministers believe a great deal remains to be done to implement the principles and good intentions set out in the documents in the previous and present summit.

Yeltsin Meets With Lithuania's Landsbergis

*LD1007121292 Vilnius Radio Vilnius Network
in Lithuanian 1100 GMT 10 Jul 92*

[Text] One hour ago, the heads of states at the Helsinki CSCE summit signed a concluding document of the meeting, a political declaration, and a summary of the Helsinki decisions.

As you know, the 15th paragraph of the declaration, which contains 80 pages, demands that the army under Russia's jurisdiction in the Baltic states be withdrawn as soon possible, orderly and completely, and that an agreement should be reached on the date of the withdrawal.

Before that, a speech was made at the Helsinki meeting by the chairman of the Lithuanian Supreme Council, Vytautas Landsbergis.

The Helsinki conference is also an occasion for bilateral meetings. Today, Landsbergis, the chairman of the Lithuanian Supreme Council, and Ruutel and Gorbunovs, the heads of the Estonian and Latvian parliaments, had a meeting with U.S. President Bush, and the Lithuanian parliament leader also met with Russian President Boris Yeltsin.

In the morning, Vytautas Landsbergis, the chairman of the Supreme Council, met with Ukrainian President Leonid Kravchuk. Foreign Minister Saudargas and Ambassador Katkus were present.

The sides exchanged information on the internal situation and [passage indistinct]. Financial settlements between Lithuania and Ukraine were discussed. Both sides agreed that it was essential to prepare a Lithuanian-Ukrainian political agreement as soon as possible. President Kravchuk stressed Ukraine's wish to have good and friendly relations with the Republic of Lithuania.

Landsbergis Meets With Byelarus' Shushkevich

*LD0907210192 Vilnius Radio Vilnius Network
in Lithuanian 1800 GMT 9 Jul 92*

[Text] At 1700 on 9 July, Lithuanian Supreme Council Chairman Vytautas Landsbergis met in Helsinki with

Byelorussian Supreme Soviet Chairman Stanislav Shushkevich. The meeting was attended by the foreign ministers of Lithuania and Byelorussia, Algirdas Saudargas and Petr Kravchenko.

A whole range of issues was discussed, including the establishment of diplomatic relations, educating Byelorussians residing in Lithuania, cooperation of the states in the sphere of health service, the delimitation of the border, and the possibility to complete it in September as planned. Both sides expressed their wish that a treaty of mutual juridical cooperation be prepared and signed as soon as possible.

It was agreed that Vytautas Landsbergis will pay an official working visit to Byelorussia, to start at the Lithuanian settlement of Gervėčiai on 14 July.

Estonia's Ruutel Addresses Conference 8 Jul

*OW1007055092 Moscow BALTFAX in English
0518 GMT 10 Jul 92*

[Transmitted via KYODO]

[Text] The withdrawal of Russian forces from Baltic states is not merely a matter between Russia and the Baltic governments; further presence of the forces is a threat to the security of northern Europe, Speaker of the Estonian Parliament Arnold Ruutel said at the opening of the Helsinki Conference Wednesday [8 July]. "European nations should think about what the purpose of these forces is", he said.

Mr. Ruutel said Estonia is counting on the CSCE for help in obtaining the withdrawal of foreign forces from the republic.

Meets With Yeltsin, Kozyrev

*OW1007062692 Moscow BALTFAX in English
0518 GMT 10 Jul 92*

[Transmitted via KYODO]

[Text] Speaker of the Estonian Parliament Arnold Ruutel Thursday [9 July] met with Russian President Boris Yeltsin and Foreign Minister Andrey Kozyrev at the CSCE conference in the Finnish capital.

Mr. Ruutel briefed the Russian leaders on the Estonian plan for the withdrawal of Russian forces from the republic. Estonia's plan states that Russia has one year to withdraw military units from Tallinn, as well as strategic units and mobile technology from Estonia. Estonia is willing to permit a delay in the withdrawal of high tech equipment, whose dismantling requires much time.

The head of the Estonian Parliament also proposed that a portion of the credits Russia will receive from the World Bank and the IMF, be directed to forming the social pretexts to withdraw servicemen from the Baltic

states. Mr. Ruutel said that several Estonian firms are willing to build housing for the servicemen in Russia in exchange for these funds.

G-7 Summit

Japanese 'Success' on Kurils Issue Noted

*PM1007115592 Moscow IZVESTIYA in Russian
10 Jul 92 Morning Edition p 5*

[Sergey Agafonov report: "Tokyo Considers Results of Munich a Victory For It. Gaydar Says That Yeltsin Was Misquoted"]

[Text] Tokyo—For the first time in 18 years of G-7 conferences, the meeting's political declaration included a reference to the territorial dispute between Moscow and Tokyo. The phrases included in the declaration in actual fact seem irreproachably neutral; however, the Japanese side is not without grounds for presenting this result as an unprecedented success for Japanese diplomacy.

Official commentaries and the press regard this circumstance as a powerful trump card in the dialogue with Moscow and evidence that a tough approach to the problem meets with the broadest response from the world.

This response is, however, by no means a unanimous one. YOMIURI SHIMBUN reports that Germany and France were considerably displeased with Japan's persistence. They "flatly objected" to the reference to territorial matters being incorporated in the political declaration.

The German position, in particular, boiled down to the view that the problem of territories and economic aid for Russia must be kept separate.

YOMIURI SHIMBUN writes that the Germans' approach is based on their own experience, which has shown that the vigorous development of economic links and contacts considerably eases the achievement of political goals.

France's position was based on the view that the territorial dispute is purely a bilateral matter in which outsiders should not be involved. It was France which insisted that the passage devoted to the ill-starred dispute should not even hint at indicating the ownership of the disputed territories. The Japanese newspaper believes that the eventual agreement to include the territorial item in the declaration was due to hopes that this concession would nonetheless ease the Japanese approach to the problem of granting economic and financial aid to Russia.

The other participants in the G-7 meeting did not impede the Japanese efforts. Canada's prime minister even won particular Japanese gratitude for his "public petition" during the plenary session with the Russian president.

The conversation between the Japanese trade and industry minister and Russian premier Gaydar has also been quoted. According to the Japanese version, Gaydar assured his interlocutor that Russia is preparing to discuss the territorial issue and has an interest in seeking a mutually acceptable, long-term solution to the problem. The Russian premier went on to point out that Moscow is counting on Japanese aid in the power generation sector, in conversion, and in implementation of the gas project on Sakhalin, and urged the Japanese to open up a market for Russian uranium. The Japanese minister responded by saying that Japan's uranium situation is OK for the time being. As for the rest, the Japanese confirmed their intention announced last year of starting up export insurance for deals with Russia in the oil and gas sector totaling \$1.8 billion and allocating \$25 million for a center to train nuclear power station operators in Russia.

These proposals are not new, but the Japanese side is doing its utmost to highlight them, mindful of Yeltsin's recent complaint: The president said that the Japanese have not invested "a dollar or a yen" in the Russian economy. Japanese newspapers write that Gaydar said that Yeltsin "was misquoted."

Following the meeting in Munich the Japanese Finance Ministry once again voiced serious concern at Western provision of credit for Russia. Prime Minister Miyazawa once again confirmed at a meeting with reporters the indivisibility of politics and economics in contacts with Moscow (no territories, no money). Several officials at once in Tokyo said again that, despite G-7 support for the current Russian leadership, Japan must not be expected to "go it alone."

Further on Gaydar's Assessment of G-7 Summit

OW0907174592 Moscow INTERFAX in English
1629 GMT 9 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] The acting Prime Minister Yegor Gaydar has assessed the results of participation by Russia's leaders in the G-7 meeting in Munich as "a step towards Russia's integration in the community of developed states". He made that comment to an INTERFAX correspondent early in the morning today upon his return to Moscow.

He referred to Chancellor Kohl who repeatedly stressed during the meeting that Russia's talks with the Seven were not "a dialogue of the rich with a poor relative asking for money". "We discussed constructively a wide range of problems accompanying reforms in Russia", said Ye. Gaydar who thinks the results of the talks will inevitably affect the situation in all countries including the G-7 members.

Among the most vital decisions concerning this country Ye. Gaydar named the beginning of a realization of the financial aid package for Russia opening with the first \$1 bn [billion] from the International Monetary Fund. That will be followed by three stages: helping Russia obtain favorable terms with the Paris and London clubs on repaying the former USSR's debt; second, admitting Russia to developed countries's markets and integrating it in the GATT agreement; third, cooperating for safety of atomic power plants and coordinating structures set up by the G-7 group for international aid to Russia. On the whole, summed up Ye. Gaydar, "we can be satisfied with the results of the visit".

The G-7 meeting, he went on, has undoubtedly improved chances for Russia to obtain the necessary credits. It should be stressed that agreements to that effect with the IMF are not a sort of bargain, but a signal to the world community that our reforms are understood as a complex of earnest and balanced measures, that our anti-inflation and stabilization policies can prevent hyperinflation which would negate all our efforts to create a civilized market in Russia.

Talk in Munich, he explained, was not about slashing the USSR debt in exchange for pledging our natural resources, but about the way we administer that debt. We propose to the world community the well-known scheme: converting debts into property. Our partners find this is a constructive approach promising that the former USSR debt can be settled.

General

European Council, Baltics Denied Full Membership

OW0307212792 Moscow BALTFAX in English
1800 GMT 3 Jul 92

[Transmitted via KYODO]

[Text] In 1992, the Baltic countries will not be accepted as full members to the European Council, although the Council has pledged to assist them in attaining this status, said a member of the Latvian delegation at the Parliamentary Assembly of the European Council, Rolands Blesurs, following his return from Budapest. He made this statement at a press conference in Riga on Friday [3 July].

Andrey Panteleyev, who also participated in the conference, explained that the decision to accept Latvia into the European Council which was scheduled for the next EC session in October has been postponed until the republic adopts its law on citizenship. In the words of Mr Panteleyev, the EC experts reason that the issue of the republic's citizenship may pose a serious problem for Latvia to join the European Council.

In order to resolve this problem, the European Council has proposed to set up a special human rights and

legislation subcommission which will begin working in Riga in cooperation with the Latvian side.

The members of the Latvian delegation also revealed that the acceptance of Estonia into European Council has also been postponed due to forthcoming elections to the republic's State Assembly (parliament). The EC experts need "proofs that it will be a democratic institution". The EC did not have any serious objections to Lithuania. The Latvian delegates maintain that its acceptance into the Council could be postponed until Lithuania settles the issue of Polish nationals in Lithuania.

Andrey Panteleyev emphasized that the European Council is not regarding the Baltic countries as a unit. It is quite possible that one of the Baltic countries would be accepted to the Council ahead of the others. In the meantime, the Baltic delegations have established good contacts with the EC. In August, Riga will host EC members together with the delegates from Estonia and Lithuania who will assemble there to address the options for their closer cooperation in the framework of the European Council and Baltic Assembly.

Submarine Talks With Sweden Assessed

LD0807165192 Stockholm Sveriges Radio Network in Swedish 1445 GMT 08 Jul 92

[Report from Moscow by correspondent Goran Skaansberg]

[Text] The submarine talks have now been commented on here at the highest military level. This happened at a news conference in Moscow today where Admiral Vladimir Chernavin, chief of the former Soviet Navy, spoke his mind and gave Sweden a real telling off. The Swedes are acting like the simplest charlatans in these talks, the Russian naval chief said.

Admiral Chernavin reiterated the previous Soviet stance on the point at issue. I know with full certainty that our submarines have not been in Swedish waters, he said, except for the U-137 which made an error in navigation [in 1981], but that event gives no cause whatsoever for the hysteria which has constantly been whipped up in Sweden. The Swedish side says that someone has seen a periscope, that tracks have been seen on the sea bed, that acoustic signals have been heard and so forth, and so the assumption is made that Soviet submarines have been involved. We reply: Submit the evidence. However, there is no evidence. There is not a single fact to indicate that our submarines have been in your waters, apart from the U-137.

I think this is a political game on the Swedish side, Admiral Chernavin continued. I think there are certain people in the Swedish state and the Swedish Defence Ministry who have an interest in pushing matters in this way. The Swedes themselves know perfectly well how things really are. We have submitted all our documents.

We intend to continue the talks, Admiral Chernavin said, but they will not yield anything if the other party

does not take into account the facts and logic, and does not conduct the talks in a civilized manner. If somebody does not want to listen, he will not listen. If one side says no all the time, and the other side says yes all the time, it can go on forever, the Russian naval chief said.

Black Sea Countries Meeting, Results Assessed

PM0807151792 Moscow IZVESTIYA in Russian 3 Jul 92 Morning Edition p 6

[Elmar Guseynov report: "Problems of Central Asian Republics Again Discussed in Istanbul"]

[Text] All the indications are that Istanbul, Turkey's biggest city, is gradually becoming a recognized political center for the countries of the Black Sea region and the young Asian states that have emerged from the debris of the Soviet empire. It was Istanbul that was the venue for the opening on Tuesday [30 June] of an international meeting whose official agenda is as follows: "The Central Asian republics and Turkey's role in Black Sea cooperation."

The meeting was organized by the World Economic Forum. About 100 major politicians and businessmen from both European and Asian countries are taking part in it. The participants include Russia, Bulgaria, Romania, and Moldova. Uzbekistan, Turkmenistan, and Kyrgyzstan are represented by their presidents, and Azerbaijan by its first deputy prime minister.

The head of the Turkish Government, Suleyman Demirel, formulated the main idea of the meeting in his introductory speech. "As a democratic and secular country with a market economy, Turkey is ready and able to give all possible support to these states," Demirel declared, referring to the so-called Muslim republics of the former USSR.

The meeting began behind closed doors, but observers believe that it will specifically discuss ways of integrating the former eastern republics of the USSR into the Western economy. It is obvious that Turkey is firmly gaining the role of a connecting link for mutual East-West rapprochement in the eyes of representatives of the Western economic and political establishment.

In addition, at the present meeting, Turkey's leaders have themselves tried to emphasize the global importance of stability in the Transcaucasus and Central Asia. Attention is drawn by the following statement made by Demirel at the opening of the meeting: "The survival of a united Europe," he noted, "will depend to a great extent on the creation of a zone of peace, cooperation, and prosperity from the Balkans to the Caucasus."

The major economic forum that has opened on the Bosphorus soon after the creation (also on Turkey's initiative) of the Black Sea Economic Cooperation Zone is confirmation of the new role that Ankara is beginning to play in eastern geopolitics. Tremendous economic and political prospects are opening up for Turkey in a region

linked to it by ties of close kinship among its Turkic-speaking peoples, with their desire to borrow the Turkish model of development.

On the other hand, the independent role that Turkey is beginning to play in the former Soviet east may bring about a considerable adjustment in Ankara's relations with its European and American partners. Stakes are so high in the struggle for influence in this resource-rich region that the role of a frankly pro-Western partner may soon no longer suit the Turkish political establishment.

West's Military Intelligence Efforts Noted

*PM0607124192 Moscow KRSNAYA ZVEZDA
in Russian 30 Jun 92 p 3*

[Article by Captain First Rank A. Demchenko: "Armies Are Being Cut Back, Intelligence Work Stepped Up: Against the Background of this Natural Process, We Are Starting To Fall Behind"]

[Excerpts] The French destroyer Tourville and the Norwegian signals intelligence vessel Marjatta cruise a few dozen miles off Severomorsk, the Northern Fleet's main base. American, Japanese, and Norwegian reconnaissance aircraft make daily flights over the seas adjoining Russia. The presence of American ships in the Black Sea has been stepped up (the cruiser Monterey, 29 February-5 March; the guided missile frigate John L. Hall 14-27 June).... These are just a few figures concerning the daily intelligence activity of the navies of the

United States, its NATO allies, and other countries on Russia's immediate borders.

The facts show, for example, that important measures are being taken in the United States to intensify all kinds of intelligence work and to centralize control of them: In particular, a joint intelligence center is being set up in the Navy to replace the three main intelligence subunits of naval intelligence command. The new body's tasks are to analyze and generalize data on the combat potential of other countries' navies, on new weapons systems....At the same time the intelligence organs' equipment is being improved, particularly through the development and introduction of new automated systems for gathering, processing, and transmitting intelligence information.

Other NATO countries are taking intelligence just as seriously. [passage omitted]

Against this background, the changes taking place in Russia are having a highly negative effect upon the state and potential of our military intelligence. The effectiveness of our military intelligence has already declined as a result of the withdrawal of ground reconnaissance units from the territory of foreign states, including the former Soviet republics, the reduction in the combat duty of fleet ships, and the sharp fall in the number of flights by reconnaissance aviation.

I do not think that history will forgive us if the future of military intelligence is determined not by the logic of concern for the state but by the short-term interests of budget cuts.

CIS Leaders News Conference Following Summit

LD0707130692 Moscow Mayak Radio Network
in Russian 2330 GMT 6 Jul 92

[News conference following meeting of CIS leaders in Moscow, with introductory statement by Kyrgyz President Askar Akayev and including statement by Russian President Boris Yeltsin, followed by question and answer session between CIS leaders and assembled correspondents; moderated by unidentified official—recorded; substituting the news conference published in the 7 July Central Eurasia DAILY REPORT, pages 8 through 11, rebroadcast with better reception]

[Text] [Akayev] Esteemed journalists, 15 issues were included on the agenda of the sitting of the Council of Heads of States today. All these issues were examined and the issues can be divided into three groups. The first group was issues of economic cooperation; the second group of issues concerned the mechanism for implementing collective security; and the third, very important group, was a group of issues pertaining to humanitarian cooperation. And so, it would not, perhaps, be wrong for me to say that there was a qualitative turning point today in the work of the Council of Heads of States and, in the activity of the CIS in general.

Which issues in the economic sphere were considered? That of the legal status of the Commonwealth Economic Court. Yes, it was submitted—Boris Nikolayevich is correcting me—as the Economic Management [khoyazyvennyy] Court but during the discussions we, I think, raised it to a completely new level of international private law. Analogies could be drawn between this court and the European Community.

A document will be signed, it is being prepared now since there was a great deal of work to be done on it, on the legal status of the Economic [ekonomicheskii] Court of the Commonwealth of Independent States. So this document has been raised to the level of international relations. It offers a mechanism, at last, for the resolution of disputes concerning economic cooperation and, to be more precise, for calling upon executive discipline with regard to economic obligations.

In addition, protection was offered to the state's interests in the ruble zone if individual states introduce national currency. A package of documents was also signed. An improvement has at last occurred in matters of legal succession with regard to treaties of mutual interest, state property, state archives and the debts and assets of the former Union. Correspondingly, three documents were signed here.

The next group of issues concerned collective security. These included facilities for missile attack early warning systems and space control, an air defense system, the approval of the provision on the Collective Security Council, the verification of the composition of the strategic forces, the organization of the activities of the the high command of the CIS Joint Armed Forces, the

appointment of the deputy commander in chief of the CIS Joint Armed Forces, and approval of the provision on the interstate committee for the protection of the state borders. This document was adopted in the form of a protocol since this was not considered to be at a level for discussion by the Council of Heads of States.

The third group of questions concerns humanitarian cooperation. A very important question, postponed twice, at long last has been examined and adopted—it concerns issues connected with the restoration of the rights of persons who belonged to deported peoples. As for a concept of a document defining the legal and organizational foundations of the Commonwealth, an instruction was given in the capacity of an instruction [as heard] to prepare a charter for the CIS by the next sitting of the Council of the Heads of States. A question of the Commonwealth states' participation in the Nuclear Arms Non-proliferation Treaty and, finally, a question of the dates for the holding of the next sitting and its preliminary agenda have also been examined. The next sitting will be held, by a decision of the Council of the Heads of States in the town of Bishkek on 25 September this year. Questions of what I would term exceptional importance have also been variously examined.

The first question was submitted by President Nursultan Nazarbayev of Kazakhstan. On the basis of it, a decision was taken to acknowledge as expedient the setting up of a consultative coordinating economic council of the CIS. It is a realistic mechanism which will make it possible to enhance the effectiveness of the implementation of our economic cooperation.

There was a question of, perhaps, an overriding importance and it was outside the agenda: the question was discussed and it was raised by President Islam Karimov of Uzbekistan and it concerned the observance of human rights and freedoms, the mechanisms of combatting interethnic and interstate conflicts and this question was, perhaps, the most acute one, and was discussed in greatest depth, a discussion in which all the presidents, all the heads of states took part. And here questions were raised precisely from the point of view of the implementation of the ideas of the Paris Charter for a new Europe and the Copenhagen Conference on the Human Dimension and I think that this is extremely important in the light of the forthcoming CSCE Conference in Helsinki.

So, a decision was taken on this very important question to instruct foreign ministers, defense ministers, chairmen of defense committees, chairmen of border troops—commanders of border troops—to hold a meeting without delay and to work out, by 15 July, the principles and mechanisms, mechanisms of combatting, well neutralizing of conflicts which flare up, turning into conflagrations already.

The main thing of all: it was decided to speed up the process of forming multinational forces, multilateral forces, needed to keep apart the warring sides in regions where conflicts are continuing. In conclusion, I think

that all this testifies to the fact that the CIS is not only alive, but that it has also begun to act effectively to tackle the most pressing and vitally important questions of our Commonwealth. Thank you for your attention.

[Ivanov] TASS, Ivanov. Boris Nikolayevich, we would like to hear your appraisal of the results of today's meeting. That is to start with, and then how effectively do you think the accords which have been achieved today will be implemented? Thank you.

[Yeltsin] I think that the appraisal given by Chairman Askar Akayev is, from my point of view, correct. That today perhaps we worked more solidly than was the case before; the documents were better prepared, and here a tribute must be paid to the coordinator of the working group, representatives of all states, expert working groups. And, since these initialed documents were prepared, along with the agenda, by the ministers of foreign affairs, defense ministers, the joint high command, and so on, they passed off in a calmer atmosphere. Naturally it was only the last and genuinely very important question—difficult for everybody, as it were—conflicts in which people are killed on the territories of our states that gave rise to a great deal of emotion. That is why the appraisal is rather high and it is, perhaps, the first time that we have begun to find the mechanisms which will be implemented in order that all decisions we make are really fulfilled.

As far as economic matters are concerned, the setting up of the Commonwealth Economic Court, to which each state may appeal, and in which objective and binding decisions will naturally be made, will ensure that agreements of one kind or another, signed by heads of states or heads of governments, are implemented. Apart from this, we have indeed agreed that MFA's, namely ministers of foreign affairs, and defense ministers will hold an emergency meeting forthwith, will work out mechanisms, and we will immediately set up joint peace-keeping armed forces which will, for the first time now and also forthwith, be introduced into the zone of conflict in Moldova.

This is, as it were, the first region of conflict where there is bloodshed and into which these troops will be introduced in order to keep the warring sides apart. As for the future, we will consult with each other every time.

[Unidentified moderator] Thank you. First microphone, please go ahead.

[Terekhov] INTERFAX, Viktor Pavlovich Terekhov. It seems to us that the range of military issues prompted the main arguments. Is this the case or not? In connection with this, esteemed heads of the four states on whose territory nuclear arms are situated, do you hope to resolve this very acute and complex issue concerning the composition of the strategic forces. This constitutes a danger to the world.

[Moderator] To whom are you addressing the question?

[Terekhov] To the four heads of state, Boris Nikolayevich, to the president of Ukraine.

[Moderator] Thank you.

[Shushkevich] We decided today to start without delay talks between these four states. We think that only one of these states, Russia, should be a nuclear state. We have all agreed on this and now a mechanism should be elaborated on how to transfer to this state. The crux of our decision is to start these talks.

[Moderator] Stanislav Stanislavovich has said everything.

[Kravchuk] I also agree with what has been said. It seems to me that some new approaches have been found today which need to be thoroughly studied, but a general striving and general desire of the four (?involved) states is to find these solutions, to demonstrate good will in this matter, and to take into consideration the interests of our states' national interests and the interests of the world community. I think that this problem will be resolved.

[Yeltsin] A few words. Our foreign ministers of the four states signed the Lisbon protocol and therefore it was easier for us to be base things on the fact that they had already agreed among themselves, and we have only made a decision, a political decision, to immediately begin a negotiating process among the heads of the four states in order to implement the Lisbon protocol. Practically, this is what can be said.

[Moderator] Thank you. Second microphone please.

[Aksenov] Aksenov, RUSSIAN INFORMATION AGENCY. First let me congratulate the esteemed president of the Republic of Kazakhstan on his birthday, and second, the question concerns one of the items on the agenda. Today you were discussing dividing the property of the former USSR. What is the state of affairs at present with regard to the financing of the Joint Armed Forces? Is it done in the same proportion or in a different one? The question is to the chairman of today's meeting.

[Moderator] Askar Akayevich Akayev, you are welcome.

[Akayev] [Words indistinct] the financing of the CIS Armed Forces—the Joint Armed Forces of the CIS. However, the issue of financing was resolved a long time ago, and it is being fulfilled in accordance with the agreement. In any case, the Republic of Kyrgyzstan strictly fulfils all the obligations it undertook in accordance with the agreements. I think that probably all remaining countries of the CIS do the same as there are no questions or problems here.

[Moderator] Fourth microphone.

[Unidentified correspondent] I have another question to the chairman. Was the issue of borders between the CIS countries discussed during today's conference, and what is the opinion of the chairman himself on the existence of borders and on setting up borders between them?

[Akayev] No, this issue was not discussed, but concern... [Akayev changes thought] You remember we agreed that we will have common outward borders—that is why there was an agreement on forming joint border troops and a joint command—and keep the internal borders transparent in all respects. No, this issue was not discussed today. Decisions on the borders were made earlier, but concern regarding the fact that, of course, problems appear here which may have consequences—the consequences fraught with dangers—was expressed, in particular by Islam Karimov, the president of Uzbekistan.

[Moderator] Thank you. Third microphone.

[Unidentified correspondent] I have a question to the president of Russia. Boris Nikolayevich, tell us please whether the Collective Security Council will be tackling issues on the use of military contingents in combat if there is a need, or if its functions will be purely political. The second question is a very short one: Was Kalinichenko's resignation approved today?

[Moderator] Please introduce yourself.

[Naryshkin] ITAR-TASS, Naryshkin. Was Ilya Kalinichenko's resignation approved?

[Yeltsin] Kalinichenko's resignation was accepted. We agreed that for a transitional period the High Command is to function; at the same time, a CIS Council of Commanders of Border Troops is being set up. In regard to collective security, we discussed this matter today, and various aspects of it at that. But in terms of something specific, in addition to a political decision, then as I have already said, we and Ukraine will, on request, if there is such a request...[Yeltsin changes thought] If Mircea Snegur, the president of Moldova, appeals to his parliament for such a request to be made, and if he makes such a request, then Russia and Ukraine—and if they apply, then it is possible that Romania and Bulgaria may take some part in the joint armed forces, in order to create a barrier between the two sides, so to speak. This is absolutely concrete, and we agreed to do this pretty quickly.

[Moderator] First microphone.

[INTERFAX Correspondent] This is a question for President Nazarbayev from INTERFAX. I would like to ask this: The CIS Economic Council was your suggestion Nursultan Abishevich. How do you visualize this, because this is probably the sole—or perhaps the second, apart from the Economic [Ekonimicheskii] Court—means of stabilizing the falling production in the CIS countries.

[Nazarbayev] As you know, Kazakhstan has consistently taken the stance, and continues so to do, of drawing economic cooperation closer together. As you know, 80 percent of the fall in production in all the states of the former Soviet Union is due to the breaking off of economic ties between these states and to the collapse of

the CEMA. Given this, I believe that with every session we are moving toward an understanding of the following: The first important thing is the creation of an Economic [Khozyaystvennyy] Court, a body which will carry out investigations. The second suggestion I submitted, and which we have been working on, is what I would like to call the CIS Higher Economic Council. This is being associated with what we had before, although we are independent states, and I see nothing to fear here.

What I have in mind is, with the support of the heads of states, to set up a Commonwealth Coordinating Economic Council comprised of people at the rank of first deputy prime minister of every state, dedicated specifically to this, and which would have its own apparatus which would deal with bringing the positions of sides closer together in matters of finance, especially in foreign economic ties. We are today opening up to the whole world and competing with one another. We have already reduced [as heard] prices for coal, reduced prices for oil, and reduced prices for cotton. We could set up a sort of OPEC of our own for gasoline which would monitor and follow market conditions, and then perhaps something for coal, and then perhaps for the non-ferrous metals we trade in, and so on. I see it as being an effective body, the start of forming a real economic community.

In addition, since you asked a question about this, I put forward the suggestion when we were discussing the CIS Joint Armed Forces that a general secretary and an apparatus should be created, similar to what NATO has. This is so that political questions relating to the provision of the CIS troops, to the Joint Armed Forces, political questions relating to mutual relations in defense and finance, research and development, and planning of military weapons would be headed by a civilian, the general secretary, while the commander in chief of the armed forces would be a military man who deals with the training of the military and drawing up the doctrine and strategy of the Joint Armed Forces.

[INTERFAX Correspondent] Did you get backing for this?

[Nazarbayev] I did, a decision was made on both issues.

[Unidentified correspondent] A question to the chairman. What measures did you discuss today on protecting the ruble, and what measures were taken during this meeting?

[Akayev] The point here is that if a CIS member country adopts a decision to introduce its own national currency, this agreement provides for measures which will not allow this to exert a negative influence upon the economic situation in other Commonwealth countries and [words indistinct].

[Unidentified Radio Liberty correspondent] A question to Boris Nikolayevich Yeltsin. Tell us please, how was your discussion of your upcoming visit to us in Munich, and are there any instructions from other heads of state to you with regard to the visit? Thank you.

[Yeltsin] I informed the heads of states about the preparations for the third session of the big seven in Munich with the participation of the Russian president on 8 July. The questions which pertained to all the heads of states, or all the states, concern the deferment of the former Union's foreign debts. I was given the right to speak there on behalf of all the heads of states and to submit a proposal that the former Union's debt and debt interest payments be deferred for several years. Although some called for this debt to be written off completely, as ... [interrupted by laughter in hall]

[Unidentified ITAR-TASS correspondent] A question to the Ukrainian president. Was the question of withdrawing the Western and the Northwestern groups of forces discussed today? If so, what decisions were made?

[Kravchuk] No, this question was not discussed, not within the CIS framework. However, it is a question of bilateral agreements between Russia and Ukraine. I know and can tell you that we will resolve this problem for our two states.

[AL-HAYAT correspondent] The Arab newspaper AL-HAYAT. A question to the Armenian president. I have a question on Nagorno-Karabakh in connection with the refusal by the Armenian parliament to take part in the Rome CSCE conference. Has Armenia asked for the troops—about which there was an accord—to be brought into the conflict zone, and what was the reaction?

[Ter-Petrosyan] Well, I also raised this question alongside the other issues connected with hotspots. Unfortunately, I must state that the CIS does not have any mechanisms for resolving interethnic conflicts. All of these statements remain empty words. Thank you.

[Moderator] Second microphone please.

[Unidentified correspondent] I have a question for Ukrainian President Leonid Makarovich Kravchuk. Is it true that Ukraine refused to participate in the Economic Court, and if so, will this court be set up anyway? How can this court be empowered and operate without Ukraine's participation?

[Kravchuk] No, Ukraine did not refuse and I, if you recall, even expressed the view in Dagomys that a forum is necessary which would take on functions of one kind or another—how can one put it—of following how the CIS member states meet their obligations. What is at question is the content of a number of articles which require further work in order to join—or not join, but we are reckoning on the former—this document. That is, we are not taking up any categorical position here, for instance that we will not participate in an Economic Court, a coordinating, monitoring structure, which will not be above the states. That is, we are in favor of all of the documents, which are being prepared, continuing to be prepared and of them proceeding from the agreements which have already been signed and agreed, primarily the Alma-Ata agreement to the effect that the

CIS is not a state nor a state structure nor a subject international law. It is very important that this should be observed.

[Moderator] Fourth microphone.

[ANSA correspondent] ANSA agency, Italy. Teli me please, was an Azerbaijani delegation there today? And were the issues of the Crimea and Black Sea Fleet also discussed? Thank you.

[Unidentified speaker] On the first question, I would like to note that Azerbaijani delegation was present in the capacity of observers. The issues of Crimea and the Black Sea Fleet were not discussed. Please go ahead.

[Akayev] In conclusion, as chairman at this meeting of the Council of Heads of States, I regard it my duty to express deep respect to Russia, the Russian Government, and its president, Boris Nikolayevich Yeltsin, for the excellent working conditions which have been created and for the atmosphere which made for the success of the meeting. Many, many thanks.

[Moderator] Thank you everybody for interesting questions. Goodbye.

Gaydar, Kebich on Minsk CIS Premiers Meeting

MK0207104792 Moscow ROSSIYA in Russian No. 27, 1-7 Jul 92 (Signed to Press 30 Jun 92) p 4

[Natalya Anatolyeva report under the "CIS Chronicle" rubric: "Conference in Minsk: '...Full Unanimity'"]

[Excerpt] Minsk—The latest conference of heads of government of the CIS countries, held in Minsk 26 June, passed off in rare tranquillity. As the leader of the press center remarked when briefing journalists on the talks' progress, "I am ashamed to say it, but almost all the questions are being resolved very unanimously."

Yegor Gaydar reported that the CIS countries' representatives discussed 21 questions. True, agreements were not signed on some of them, and only instructions were given. This concerned, for example, the setting up of an interstate television and radio company, whose statutes were not drawn up; a block of ecological problems; recognition of ownership rights to projects constructed at the expense of the CIS countries...

Yegor Gaydar named two documents as the most important. These are the agreement on export control over dangerous technologies, which, according to the Russian premier, meets international standards and can remove anxiety in connection with the potential danger of the uncoordinated export of uranium, for example. The second important document concerns the coordination and protection of the interests of states in the ruble zone in the event of their introducing a national currency. "The money sphere links us all," Yegor Gaydar said, "and any unilateral actions here could harm all the other countries, and we have today taken a serious step to

resolve possible problems." This document, however, awaits examination at the 6 July Moscow session of heads of state.

It is probably worth noting a few other points which, although they did not take up a lot of space at that conference, might be quite important.

Above all, a kind of toughness was shown for the first time toward those delegations which arrived in Minsk without having ratified their membership of the CIS—Azerbaijan and Moldova. They received the status of observers rather than session participants with full rights. As Vyacheslav Kebich remarked in this regard, "we believe that it is high time they showed obligingness with regard to their promises..."

The proposal to set up an economic executive committee is, in my view, linked with an obvious desire to instill at least relative order. It was advanced by Vyacheslav Kebich with the support of the Russian and Kazakh delegations. He declared that the present CIS structures have no organs to monitor the fulfillment of decisions that are adopted. The interstate committee will be endowed with special powers which will enable it to monitor the actual implementation of economic agreements by the states which sign them.

May God grant this, as the saying goes. For both the CIS heads of state and the heads of government already seem to have learned how to adopt important and serious decisions. But too many of them remain mere piece of paper. It was not for nothing that Yegor Gaydar replied with not the most cheerful joke to a journalist's question as to which of the agreements adopted during the Commonwealth's existence is being implemented most actively: "The one concerning the creation of the CIS itself." [passage omitted]

Officials Prepare for CIS Summit in Bishkek

OW0807182692 Moscow *INTERFAX* in English
1645 GMT 8 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] Representatives of CIS heads of state and government working group, Commonwealth defence and foreign ministers, and the command of CIS border troops are due to meet in Tashkent on July 16 to clear the ground for the organisation's new summit in the Kyrgyz capital Bishkek in September.

The group's coordinator, Ivan Korotchenya, said the agenda of the meeting in Tashkent was expected to focus on issues related to the drafting of CIS charter, creation of a joint peacekeeping force, and procedures of restoring the rights of citizens who fell victim to repression and deportation.

One other issue on the agenda is the setting up of a council of the commanders of CIS border forces, which, said Korotchenya, does not amount to the preservation of the forces' single command. Border demarcation between the former Soviet republics, he said, would be defined on the basis of bilateral agreements.

On the joint peacekeeping force, Korotchenya thought that a special body would be created to run it, but under control by Marshal Yevgeniy Shaposhnikov, the commander-in-chief of CIS forces.

IF [INTERFAX] correspondents say the question of Byelarus's involvement in the peacekeeping force remains open since it did not join the collective security agreement. Byelarusian leader Stanislav Shushkevich speaking at the end of the Moscow summit said no Byelarusian troops would ever be sent outside the republic even under the best of excuses.

Turkestan Military District Ceases To Exist

LD0207155692 Moscow *POSTFACTUM* in English
1408 GMT 2 Jul 92

[From the "Military News" section]

[Text] Ashkhabad—The Turkestan Military District officially ceased to exist on July 1. It was one of the largest military districts of the former USSR. Its troops were deployed on the territory of four republics of Central Asia and Kazakhstan. By today Uzbekistan, Kazakhstan and Kyrgyzstan took under their jurisdiction the units deployed on their territories. The troops deployed in Tajikistan and Turkmenistan are under Russian jurisdiction so far. Part of the servicemen were transferred to the armies of other states—former Union republics. The liquidation commission of the Turkestan Military District will decide the future of those who have not left yet, but who would like to leave. The commission will work in Tashkent for another several months. Colonel General Georgiy Kondratiyev was the last commander of the Turkestan Military District. He was appointed recently Russian deputy minister of defence.

Astrakhan New Site for Caspian Area Navy

OW0107184792 Moscow *INTERFAX* in English
1750 GMT 1 Jul 92

[Transmitted via KYODO]

[Text] "IF" [INTERFAX] learned in Astrakhan that the southern Russian city on the Caspian Sea will be the site of a new base for the portion of the Caspian Navy of the former Soviet Union which will be transferred to Russia. An agreement between Moscow and Baku reached in April states that Azerbaijan and Russian will each be given 25% of the Caspian fleet. The remaining 50% will go to Kazakhstan and Turkmenistan. The method of dividing the fleet has not been worked out.

Astrakhan reports that construction of the base will begin this year and will be completed in 1996.

Ukraine Sole Abstention in Anti-Aircraft System

LD0407205192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 4 Jul 92

[From the "Novosti" newscast]

[Text] An agreement on a common antiaircraft defense system has been signed by all but Ukraine at a session of the Council of CIS Defense Ministers.

Former Navy Officers on Poor Equipment

LD0407094992

[Editorial Report] Moscow Russian Television Network in Russian at 1500 GMT on 2 July broadcasts the "Nota Bene" program under the heading "A Tale of Useless Scrap Iron."

The program contains criticism by former leading naval officers of equipment supplied to the Soviet Navy by the country's military-industrial complex. Gennadiy Melkov, captain 2d rank retired says: "The military-industrial complex is still continuing senselessly to waste billions of our people's rubles. It continues to supply armaments, equipment, and weapons which are in respect of their performance far behind and worse than the armaments and equipment being supplied to Western states. This is to say that our Navy is not up to the required world standards."

"This has been possible because the military-industrial mafia itself orders the weapons, equipment, and armaments, builds them itself, gets them up to the necessary level itself, carries out their acceptance itself, and itself investigates all accidents involving equipment, weapons, and armaments, including the death of personnel. Naturally it does not establish the real causes and skilfully conceals the loose ends in the water."

Announcer Aleksey Kozylyayev says: "Nikolay Nikolayevich Amelko, admiral of the fleet retired, and now an adviser to Russia's Foreign Ministry, speaks of the sad results of this practice."

Amelko says: "The whole of the foreign press and all the naval experts wrote with indignation that the Russians had begun building an aircraft carrier, but that they did not really know what they were building and that it had been designed by some kind of madman who did not know what purpose the ship was meant to serve—whether it was meant to be an anti-submarine ship, whether it was meant to be an aircraft-carrier, which it could not be, or whether it was for some other purposes. They could not comprehend the purpose, just as we could not understand either where it was meant to fit in and what needs it was meant to meet."

"Indeed six aircraft carriers were built. Note the fact that with each of them the preliminary specifications which were sent to the Party Central Committee and the Politburo to obtain their consent for the construction of the ship gave a different purpose for the ship, although really they were all of the same class. One set of specifications said that the ship was meant to provide stability for operational formations on the high seas. One asks oneself—what formations? We do not have any such formations. Why too would this formation go out on to the high seas? That also is incomprehensible. Then it was said that the ship was meant to defend our strategic submarines. However, I am deeply convinced that surface ships 'defending' submarines can only reveal their location."

"In the same way just four nuclear-powered cruisers were built. Why were four built? Again no one could explain. Probably it was just because we have four fleets and each fleet was to have one of them. There are no other reasons for it. This cruiser had a displacement of 24,000 tonnes and it would also need protecting. It would also need destroyers, that is to say, guard ships. In this way everything would continue to escalate."

"The Ministry of the Shipbuilding Industry and the military-industrial complex—and the military-industrial complex included, of course, both Smirnov and Ustinov, who was in charge of the Politburo's military-industrial commission—were interested of course, and the factories even more so, in the construction of such ships, and strove in every way to show that they were needed. The sailors did not strive to prove the need for them. It was the military-industrial complex that did so, and it did so out of narrow departmental interests. After all, it was better to build a single ship costing 1 billion rubles than to build the guard ships needed by the fleets, each costing some 150-200 million rubles."

Kozylyayev says that an aircraft-carrier is a plaything. It may be expensive but it is not very necessary. What is far worse is that one of the elements of Russia's strategic nuclear complex is useless.

Ilya Kolton, captain 1st rank retired then says: "The biggest trouble for us has been the loss of concealment for the actions of our nuclear submarines owing to their extreme noisiness. As a result of this American and NATO ships can detect our submarines at a distance, say of 1,000 km, while we can detect them only at a distance of 10 km. In practice all of our submarines are noisy. We do not have any silent submarines. We do not have any."

Black Sea Fleet Rebuts 'Misinformation'

PM0907150992 Moscow ROSSIYSKAYA GAZETA
in Russian 9 Jul 92 First Edition p 2

[“Letter to the Editorial Office” from Andrey Labeznikov, head of the Black Sea Fleet Press Center: “Trading Is Under Way, But Not Everyone Is Doing It”—last paragraph is editorial comment]

[Text] ROSSIYSKAYA GAZETA published an article 15 June 1992 headlined "Everyone Is Trading. Bargains For All," which reported facts that have no bearing on reality.

We state officially that the commander of the Black Sea Fleet is not a member of any administrative council of the "Nikon-zyud" commercial structure, that is "Nevikon-zyud." The firm's account is registered not in Moscow, but in the Bank of Ukraine. In 1992 there were no operations to sell obsolete Black Sea Fleet ships.

Similar misinformation was provided by IZVESTIYA. To our great regret you did not contact the Navy Main Staff or the Black Sea Fleet staff or press center to clarify the matter. These articles are being used to discredit the commander, thanks to whom the Black Sea Fleet has been preserved as a fighting unit.

We realize that the article was based on an ITAR-TASS report and information in France's LE FIGARO weekly magazine. Nevertheless the fact that ROSSIYSKAYA GAZETA printed this "misinformation" came as a great surprise to us. We hope that next time the reliability of the information will be checked with the appropriate Navy structures. We rely on your close cooperation.

[Signed] Andrey Labeznikov, chief of the Black Sea Fleet Press Center.

From the Editorial Office

While publishing the letter we would nevertheless remind you that, in accordance with the Law on the Mass Media, agencies circulating reports are responsible for their reliability. Newspapers' editorial offices do not have the facilities to check them out.

More on Black Sea Fleet Officers' Demands

PM0907141192 Moscow ROSSIYSKAYA GAZETA in Russian 9 Jul 92 First Edition p 2

["Own Information" report: "Army: Stopping the Breakup of the Black Sea Fleet"]

[Text] According to reports that the editorial office has received, a session of the Coordinating Council of Black Sea Fleet Officers Assemblies has been held in Sevastopol and has adopted an appeal to the Russian and Ukrainian presidents and defense ministers and to the chairman of the Crimean Supreme Soviet.

The document says that the Coordinating Council has a high opinion of the Ukrainian-Russian agreement secured in Dagomys, which sparked off a new phase in the negotiating process on the Black Sea Fleet. However, further actions by the Ukrainian side, the appeal says, threaten to undermine what was achieved in Dagomys and will destabilize the situation in the fleet and turn it into an ethnically divided military organism rather than a combat unit.

In this connection the Coordinating Council proposes:

1. That all levers for which the treaty documents make provision be used in order to strictly observe the well-known moratorium on the Black Sea Fleet.

2. That the contracting parties clearly stipulate the timeframe for the transitional period and the rights and duties of each of the sides.

3. That the status of the fleet and the legal basis for the activity of its command, military council, and servicemen stationed on Ukrainian territory be decided forthwith.

4. That the Ukrainian and Russian defense ministers issue orders banning servicemen from carrying out propaganda and political campaigning within and around the Black Sea Fleet, including through dismissal from the armed forces.

5. That the chairman of the state commissions and the Russian and Ukrainian defense ministers visit Sevastopol to study the situation on the spot and decide the question of the division of the fleet.

6. That the chairman of the Crimean Supreme Soviet, the Ukrainian president's representative in Sevastopol, and the commander of the Ukrainian Navy be invited to attend a meeting with representatives of the Black Sea Fleet's delegated officers' assemblies by 8 July to clarify the situation over the Black Sea Fleet.

7. In the event of the above measures being rejected we reserve the right:

—to ask the commander of the Black Sea Fleet to put the fleet on full combat readiness [polnaya boyevaya gotovnost];

—to neutralize servicemen who conduct active nationalist propaganda, promote the division of military collectives on ethnic grounds, and violate the system of subordination;

—to autonomously embark on forming a Russian fleet and raise the historic St. Andrew's Flag on the ships;

—to tighten up admission to troop units and fleet establishments;

—to join the political campaign for an all-Crimean referendum;

—to step up the work of the Coordinating Council of Fleet Officers Assemblies to unite troop collectives and suppress all manifestations of nationalism.

The officers of the Black Sea Fleet, the document says in conclusion, do not support the language of ultimatums and threats. However, the time and the situation are deciding our actions and forcing us to make the above appeal.

Kasatonov Alleges Violation of Fleet Accord

PM1007093192 Moscow SOVETSKAYA ROSSIYA
in Russian 9 Jul 92 p 1

[Unattributed report: "Admiral's Protest"]

[Text] Admiral Igor Kasatonov, commander of the Black Sea Fleet, has sent a sharply-worded telegram to General Radetskiy, commander of Ukraine's Odessa Military District. He has accused the Ukrainian general of "an extremely gross violation of Article 14 of the Dagomys agreement on the Black Sea Fleet."

The appearance of the telegram, which arrived at ITAR-TASS today from the Black Sea Fleet Press Center, was prompted by the district commander organizing Ukrainian oath-taking by personnel from a Black Sea Fleet naval infantry regiment, and then transferring the military collective to the jurisdiction of the Odessa District.

An appeal by the Coordinating Council of the Officers' Assemblies of the Black Sea Fleet to the Russian and Ukrainian presidents and defense ministers also mentions the violation of the Dagomys agreements.

Central Asian Republics Form Cooperation Group

LD3006184192 Tashkent Radio Tashkent Network
in Uzbek 0300 GMT 27 Jun 92

[Excerpts] Yesterday the constituent conference of the international association for cooperation and development of the people of Central Asia and Kazakhstan was held in Tashkent. (Uchiboyev), advisor to the office of the president of the Republic of Uzbekistan and chairman of the organizational committee, spoke on the formation of the association, its aims, and its tasks. Delegates from Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan noted the hopes and wishes of the peoples of our republics on state independence becoming reality. [passage omitted]

The rules of the international association and measures for the development and assisting in the cooperation of the peoples of Central Asia and Kazakhstan were adopted. Its leading organs and supervisory and auditing commission were elected. (Uchiboyev) was elected president of the international association.

The Friendship Association of the Peoples of Central Asia and Kazakhstan was formed [Urta Osiyo va Kazakhstan Khalklari Dostligi Dzhamgharmasi]. The participants approved the rules of this association.

The initiative of the Al-Baraka Kazakhstan Bank was approved. The bank gave this association 1 million rubles.

The participants adopted an address to the peoples of Central Asia and Kazakhstan. [passage omitted]

Combined Press Subscriptions Across CIS Noted

PM0907151592 Moscow ROSSIYSKIYE VESTI
in Russian 7 Jul 92 p 3

[ROSSIYSKIYE VESTI-RIA report under the "News" rubric: "Subscription to CIS Press Through Unified Catalogs"]

[Text] Inhabitants of Russia and other CIS countries will in the future be able to subscribe to all the periodicals published on Commonwealth territory. According to Russian Communications Minister Vladimir Bulgak, regarding the issue of state policy in the mass media sphere an agreement was signed back in May with his colleagues from the CIS member states on a "unified area" for distributing the periodical press; it stipulates that inhabitants of Commonwealth countries will subscribe to the press through unified catalogs.

'Trade & Investment' Headline News 2 Jul

OW0307023292

[Editorial Report] Moscow INTERFAX in English, as received via Tokyo KYODO facsimile transmission at 1822 GMT on 2 July, carries its regular "Trade & Investment" feature. Within the "Headline News" section of the weekly feature, INTERFAX carries nine reports on economic news in the CIS, the highlights of which include the following:

Under the headline "Export Conditions Will Be More Favorable," INTERFAX carries a 200-word report citing Sergey Glaziyev, Russian deputy minister for foreign economic relations, on a 20-percent reduction in export duties that went into effect on 1 July. According to Glaziyev, who held a Friday [26 June] news conference to discuss the issue, export duties are decreasing 20 percent "upon the introduction of a new procedure for the payment of export duty." The report goes on to say: "'more favorable conditions' for exports will be created by refusing to use an overly high commercial ruble rate (\$1 per 55 rubles), with the mandatory sale of 40 percent of hard currency earnings by the exporters."

Turning to the 1 July introduction of import tariffs, the report cites Glaziyev saying "this question had not been agreed upon with the other CIS nations." Nevertheless, according to Glaziyev, Russia "had a right for unilateral actions" in establishing its tariffs because the question of creating a customs union had been "deferred" by other CIS states. Glaziyev added that the import tariffs "will not cover trade with CIS republics" and that customs offices will soon be organized in areas bordering the Baltics and Azerbaijan.

In a related report, INTERFAX says the Russian Government has approved a 20-percent reduction in export duties on some goods exported from Udmurtiya to Vietnam. According to the 100-word report: "The lower rate of the duty will apply only to those commodities which are exported under quotas specially granted to the region. These quotas cover 50,000 tons of fertilizers,

10,000 tons of bitumen-impregnated roofing felt, 20,000 tons of rolled iron and steel products, 10,000 tons of explosives, 15,000 cubic meters of lumber, and 5,000 tons of paper products."

In a 150-word report on an interview with Central Bank of Russia (CBR) Deputy President Lidiya Alyakina, INTERFAX cites Alyakina saying the CBR will open "ordinary correspondent accounts" for the national banks of other former Soviet republics. According to Alyakina, the move is designed to force the central banks of other republics "to make payments only within the limit of resources they have in the Central Bank of Russia." The report adds: "The CBR Deputy President said that before there was a mechanism that let those banks perform transactions with Russian enterprises irrespective of the resources on their accounts. Mrs. Alyakina said that the decision followed the abuse of power by Ukraine, when it issued a big credit to its enterprises flooding Russia with about 300 billion rubles."

Also included in the "Headline News" section of the 2 July "Trade & Investment" feature is a 175-word report on the cancellation of plans to construct a Pepsi-Cola packaging plant in the Byelarus city of Mogilyov. The facility, which was to be built by Pepsi International and Eastman Chemical Co., will not be constructed because "the formation of the joint venture did not receive the preliminary agreement of the local administration." Opposition to the plant's construction, which was headed by Mayor Sergey Gabrusev, centered on possible environmental damage being caused by the plant. The facility would have produced two-liter plastic bottles for soft drinks exported to Eastern and Western Europe.

'Trade & Investment' Headline News 9 Jul

OW1007022492

[Editorial Report] Moscow INTERFAX in English, received via Tokyo KYODO at 1752 GMT on 9 July, carries its weekly "Trade and Investment" feature. Within the "Headline News" section of the weekly feature, INTERFAX carries 10 reports that include the following:

Under the headline "Russia and South Korea Step Up Cooperation in Gas Production," INTERFAX reports that the head of the South Korean corporation Daewoo, Mr. Kim Woo-jon, in a meeting with Yeltsin in the Kremlin, said his country was prepared to invest in the oil industry in Russia, particularly in Yakutia. Kim further discussed a project for building a pipeline from Yakutia to South Korea across North Korean territory. Arkadiy Volskiy, president of Russia's Union of Industrialists and Entrepreneurs, who attended the meeting, said that talks had already been held with North Korea on this issue, and Pyongyang's attitude had been "business-like and reasonable." Daewoo's president indicated South Korean companies are prepared to invest \$12 billion in the project.

The "Trade and Investment" feature also carries a report headlined "Uzbekistan Gives Priority To Attracting Foreign Investment in Basic Industries," stating that Uzbekistan is prepared to give foreign mining companies "free access to development of its natural resources." The government provided detailed documentation about 27 large mineral deposits in the republic, including goldfields. Uzbekistan used to account for a up to a quarter of Soviet gold output.

The article "Tajikistan Liberalizes Foreign Trade" reports all legal entities registered in the republic are allowed to engage in external economic activities under a new decree signed by the president; the decree also requests that the government compile a list of goods whose export and import will be subject to quotas and licences, both of which will be auctioned off. The decree also tasks the National Bank to take steps to organize a foreign exchange market in the republic. Participants in external economic activities are to sell a portion of their foreign exchange revenues to the republic's currency fund at the exchange rate set by the National Bank; in turn, the fund will be used to repay the republic's external debt and carry out social programs.

In other "Trade and Investment" headline news, INTERFAX reports that Russia has approved an agreement with Iran on international road traffic, stipulating that "transit carriage of freight may be undertaken without express authorization." In another item, Russia agrees to supply oil to Turkmenistan in exchange for cotton. Under the headline "Grain Exports Out of Russia To Be Made Subject to Quotas and Licences," INTERFAX reports that the Russian Government has ruled that grain, grain products, raw materials for producing combined feeds, and oil crops will be exported only under licences and quotas issued by the Trade and Material Resources Ministry's Committee for Bread Products and the Agriculture Ministry of the Russian Federation. "Headline News" also reports on the first land auction held in Vladivostok. The article notes that the auction was off-limits for foreign capital "because Vladivostok's authorities have not yet established foreign exchange prices for its land."

ITAR-TASS Carries Press Review for 10 Jul

LD1007054692 Moscow ITAR-TASS in English
0426 GMT 10 Jul 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow, July 10 TASS—Newspapers continue to highlight the summit meeting of CSCE member states, which is under way in the Finnish capital, and the results of the Munich conference of the G-7 states that preceded it. "There is no doubt that the Helsinki meeting will become, and has become already, a major international event and will upset gloomy forecasts of those who said that the all-European process has allegedly outlived itself," KRASNAYA ZVEZDA writes, commenting on the Helsinki meeting.

"The Munich exam has been passed with flying colours. The impression is that Russia is really beginning to speak with its partners in the same language after several decades of misunderstanding and the first breakthroughs of the epoch of new political thinking," NEZAVISIMAYA GAZETA writes, analysing the meeting of the Russian president and leaders of the G-7 countries. It highlights Yeltsin's suggestion that part of Russia's foreign debt should be paid "in kind", i.e. with natural resources, land, industrial enterprises and so on. "The putting of this idea into effect would make it possible to resolve simultaneously two important problems: to overcome the deadlock situation in the payment of the foreign debt and to draw truly massive foreign investments into the Russian economy, without which one can hardly hope for its real upswing," the newspaper points out. According to NEZAVISIMAYA GAZETA, this practice is widely used by some Latin American countries. It is surprising, however, the newspaper continues, that the information about this sensational proposal came from the Italian prime minister, while Yeltsin did not even mention it during his final press conference in Munich.

Newspapers continue to give wide coverage to the situation in the hotbeds of tension—the Dniester region, South Ossetia and Nagorno-Karabakh. "The situation is the same at our domestic fronts, fighting is going on," KOMSOMOLSKAYA PRAVDA writes. "All attempts to achieve a political settlement of the conflicts end with new outbreaks of hostilities. Politics and real life are losing the last points of contact," the newspaper points out. According to the statistics quoted by KOMSOMOLSKAYA PRAVDA, one day of war in the Dniester region costs Moldova 12 to 15 million roubles, and three to five million roubles to the Dniester Republic.

According to KOMSOMOLSKAYA PRAVDA, the shelling of Tskhinvali is continuing in South Ossetia despite the decision to impose a ceasefire and move mixed peace-keeping forces there. "Georgian guards were practically not informed of the joint steps taken by Georgia and Russia to settle the conflict. Gangs not subordinated to anybody are operating in the zone of combat operations". It is planned to move peace-keeping forces to the area before July 14, Sergey Shoigu, co-chairman of the joint consultative committee for the settlement of the South Ossetian problem, said in an interview with KRASNAYA ZVEZDA.

"Even if Yerevan tries to persuade the authorities of the Nagorno-Karabakh Republic to agree to an armistice, the Nagorno-Karabakh people will never agree to the loss of Shaumyanovsk and Mardakert, and a ceasefire will become possible only after the status-quo is restored in the region in this or that form," NEZAVISIMAYA

GAZETA writes, commenting on the situation in that region where the Azeri troops are continuing the offensive.

The Russian Security Council expressed non-confidence to Foreign Minister Andrey Kozyrev and First Deputy Foreign Minister Fyodor Shelov-Kovedyaev, and suggested that the president should remove them from their posts, NEZAVISIMAYA GAZETA writes with reference to "well-informed sources in the Russian leadership." According to the newspaper, Shelov-Kovedyaev was actually relieved of his duties about a week ago, but it is Gennady Burbulis who has opposed so far the discharge of Kozyrev.

"Russia cannot and will not start at once the implementation of a large-scale programme of the elimination of chemical weapons," says Anatoliy Kuntsevich, chairman of the committee for conversion problems connected with chemical and bacteriological weapons, which is attached to the office of the president. Although Russia should begin the elimination of its chemical weapons stockpiles no later than December 31, 1992, in accordance with the Soviet-American agreement, in fact it will become possible no earlier than late 1993—early 1994, he points out in an interview with KRASNAYA ZVEZDA. A stage-by-stage programme is now being worked out, which will not be so "burdensome for the Russian economy" and will make it possible to make up for part of the expenditures through the utilisation of some components of chemical weapons.

KRASNAYA ZVEZDA publishes fragments of classified documents of the CPSU Central Committee, which deal with the preparation and waging of the war in Afghanistan by the Soviet Union. The documents cover a period between the summer of 1979 and the spring of 1990. In the opinion of the newspaper, they clearly show that the Soviet army was only the executor of somebody else's will. "People holding the top state posts in the country were in charge of absolutely everything.... Arms deliveries continued after the withdrawal of the 40th army from Afghanistan," the newspaper writes.

KOMSOMOLSKAYA PRAVDA carries an interview with Arkadiy Murashev, head of the Moscow militia and until recently people's deputy to the Soviet parliament known for his democratic views. He shares his ideas of the incumbent Moscow leadership and the recent meetings of opposition forces outside the Ostankino TV centre. Murashev confirmed that he had some disagreement with Yuriy Luzhkov, Moscow's new mayor, but he had no intention to resign. Responding to accusations of indecision with regard to the opposition meetings, the head of the Moscow militia stressed that he was "just drawing a line between politics and offences." "The more conflicts emerge in such situations, the more points the opposition gains," he said.

International Affairs

Yeltsin To Visit South Korea 16-18 Sep

LD1007061692 Moscow *ITAR-TASS in English*
0609 GMT 10 Jul 92

[By *ITAR-TASS* correspondent Aleksandr Kopnov]

[Text] Tokyo July 10 TASS—Russian President Boris Yeltsin will pay an official visit to South Korea on September 16 to 18, this year, immediately after visiting Japan. This was announced today by the press secretary of President No Tae-u, the KYODO TSUSHIN news agency reported today.

According to the press secretary, the two leaders are expected to sign the first Russian-South Korean treaty of friendship and cooperation which will reflect the desire of the two countries to strengthen mutually advantageous cooperation, as well as their allegiance to the principles of democracy and market economy. In addition, the press secretary continued, the treaty will reflect Russia's "regret" over the 1983 crash of the South Korean airliner, which was brought down by a Soviet fighter plane.

Aside from holding summit talks, President Yeltsin will meet representatives of the South Korean business circles, the press secretary said.

Yeltsin Orders Council of Europe Preparations

PM0907133392 Moscow *ROSSIYSKAYA GAZETA*
in Russian 6 Jul 92 First Edition p 1

[“Own information” report: “Center in Moscow for Council of Europe”]

[Text] A decree of the Russian Federation president has instructed a number of ministries and departments to present proposals to the government on bringing Russian Federation legislation into line with the Council of Europe's generally accepted standards in the area of human rights and democratic institutions, in order to prepare for the Russian Federation's entry into the Council of Europe.

As one of the preliminary measures, the Ministry of Foreign Affairs has been instructed to resolve the question of opening a Council of Europe information center in the city of Moscow.

Yeltsin Appoints Delegation for Armenian Talks

OW0607173692 Moscow *INTERFAX in English*
1558 GMT 6 Jul 92

[Transmitted via KYODO]

[Text] A decree by Russian President Boris Yeltsin appointed the state delegation to talks with Armenia to create “a permanent negotiation mechanism to develop the legal basis of bilateral relations” and to “agree upon

practical matters which may come up”. The delegation will also coordinate talks with Armenia by various government departments, and “provide a unified political line in Russian-Armenian relations and relations with other Commonwealth nations”. The delegation is headed by special ambassador of the Russian Foreign Ministry Vsevolod Oleyandrov and comprises high-ranking representatives from the ministries and departments of the Russian Federation.

Envoy Remarks on Agenda

OW0907131792 Moscow *INTERFAX in English*
1200 GMT 9 Jul 92

[From the “Diplomatic Panorama” feature, by “diplomatic correspondent” I. Porshnev and “others”; transmitted via KYODO]

[Text] It's necessary to create a legal base in relations between the Russian Federation and Armenia, said special envoy Vsevolod Oleyandrov appointed to lead the governmental delegation for talks with Armenia formed recently in accordance with a decree signed by Russia's President.

Russia and Armenia, he told DP [Diplomatic Panorama] in an exclusive interview, have inherited from the former USSR a multitude of economic, political and humanitarian problems requiring “urgent solution”.

According to V. Oleyandrov, particular attention should be paid to military problems connected, in particular, with the presence of Russian troops on Armenian soil. “All this should be clearly stipulated and regulated”, the diplomat said.

He believes that the mutual commitments in the military area made by Russia and Armenia must not replace contacts and “the necessary consultations” on bilateral level.

Russia and Armenia which were “part of a unified economic mechanism quite recently” have good prospects for cooperation, said V. Oleyandrov. “The economies of Russia and Armenia supplement one another, and neither Moscow nor Yerevan are interested in disrupting the existing economic ties”, he noted.

According to V. Oleyandrov, his delegation will keep in the field of its vision purely humanitarian issues too. “It's no secret that Russian and Armenian cultures influenced each other”, he said. Besides, it's common knowledge that many thousands of Armenians are Russian citizens, and a considerable number of Russian-speakers live in Armenia. The Russian and Armenian delegations will have to consider problems stemming from this.

V. Oleyandrov hopes that the two delegations will gather for their first meeting to form working groups for the various directions as early as this month.

Motorized Rifle Divisions Transfer to Armenia

PM0907192992 Moscow IZVESTIYA in Russian
10 Jul 92 Morning Edition p 2

[Report by Sergey Bablunyan: "Two Divisions Transferred to Armenia"]

[Text] Yerevan—As your IZVESTIYA correspondent was told at the 7th Army headquarters, two motorized rifle divisions stationed on Armenian territory have been transferred to the republic's Defense Ministry.

At an extraordinary session of the Armenian Supreme Soviet on the evening of 8 July, deputies rejected the resignation of Babken Ararktsyan, the parliamentary speaker.

Council for Foreign Policy Goals Assessed

LD0307064292 Moscow Russian Television Network
in Russian 1000 GMT 2 Jul 92

[V. Vinogradov video report; from the "Vesti" newscast]

[Text] Not for long have we been told off for lack of planning in the foreign policy field. Now a step has been taken to simplify the activity of Russia's Foreign Ministry. The first Council for Foreign Policy, composed of leading diplomats, members of the Supreme Soviet, and major scientists, has posed a number of difficult questions in the implementation of policy.

The participants in the council have called for a more purposeful protection of compatriots in the foreign lands near home. There are more than 25 million such people. More and more problems are arising with them. They are more and more often becoming hostages to the errors of our politicians. It was pointed out that in case of need there is nothing wrong in using force. Andrey Kozyrev said it is even possible to activate levers to protect our interests.

Foreign policy is still just being shaped, but even under these conditions, stressed Sergey Kovalev, chairman of the Committee for Human Rights, the Supreme Soviet, or rather the opposition in its ranks, hampers the Foreign Ministry with all its might. This is an accusation of impotence and lack of patriotism.

Reproaches were heard against Rutskoy and Khasbulatov in connection with their statements on the 14th Army in Moldova and South Ossetia. The statements were described as a desire to increase the leaders' influence at the expense of the foreign policy interests of Russia.

Appeals were heard about the need for the internationalization of certain conflicts on our borders, since in the provinces the authority of the international organizations is extremely high. The shaping of integrity in foreign policy, Andrey Kozyrev said, lies in strengthening the unity of the president's foreign policy, in firmly upholding it in all echelons' of executive power, and in

rallying all democratic forces. [video shows council with members including Yakovlev, Shelov-Kovedyayev, Arbatov, Shatalin, Kozyrev, Kovalev]

Aims of New Foreign Policy Council Outlined

PM3006143192 Moscow IZVESTIYA in Russian
25 Jun 92 Morning Edition p 2

[Interview with Sergey Karaganov, deputy director of Russian Academy of Sciences Institute of Europe and founder of the Council for Foreign and Defense Policy, by correspondent Georgiy Ivanov-Smolenskiy; place and date not given: "It Should Not Just Be the Government That Looks for Sensible Solutions"—first two paragraphs are introduction]

[Text] Well known Russian politicians, academics, military men, political scientists, and businessmen have joined the recently created new public organization—the Council for Foreign and Defense Policy. They intend to draw up programs to help society and state leaders understand the most acute problems confronting Russia and the other CIS countries of the former Union.

Your IZVESTIYA correspondent asked one of its founders, Sergey Karaganov, deputy director of the Russian Academy of Sciences Institute of Europe, to describe the council's goals and plans in more detail.

[Karaganov] In analyzing the situation which has arisen on the territory of the former Soviet Union since the collapse of the structure of the CPSU and its Central Committee, which cemented absolutely everything together, we came to the conclusion that horizontal collaboration among virtually all policy-forming strata had ceased. Although none of the initiators of our council harbored any special feelings of tenderness toward the CPSU Central Committee, it was perfectly obvious to us that a vertical disintegration of society was under way. To enable Russian society to start to restore itself and revive it is essential, among other things, to create organizations to help bring about the realization of the need for horizontal ties within Russia and between Russia and nearby foreign parts. Such "horizontal" organizations which facilitate the regulation of relations with geopolitical and economic neighbors exist worldwide.

Meanwhile, in today's very acute crisis, where the collapse of the enormous empire is generating one conflict after another, it is the absence of a Russian state strategy in foreign policy which is depressing. It is, of course, the business of the government and the leadership of the country to give final shape to policy. However, it is also essential that circles outside government try to understand the country we live in, its place in the world today, and what its future should be and to influence foreign policy on that basis.

Another task which the Council for Foreign and Defense Policy has set itself can be defined in words which are familiar, but of vital importance in the literal sense,

namely, peacemaking activity. Today, we have no effective structures, other than state ones, that are capable of establishing relations among the leading circles of the former Union republics. However, these state level ties are very weak and are basically concerned with individual, special issues. Therefore, yet another function of the council is to revive contacts among the politicians, economists, and military men of the "former fraternal" countries at different levels.

Moreover, the council will seek to create in the country a stable political center to diminish the present considerable range of shifts and swings from the leftist liberal wing to conservatism. Finally, one more major task that we have set for the organization is to attempt to integrate officers and men into the new civil society as painlessly as possible.

[Ivanov-Smolenskiy] From what you say, Sergey Aleksandrovich, it could be construed that you do not rule out the possibility of major conflicts even between the two most powerful CIS states—Russia and Ukraine. Is the situation really so critical, in your view?

[Karaganov] We are all currently going through a period which is monstrously complex, historically speaking. Note that virtually everything predicted is coming to pass. There was one small war—in Karabakh—but there are now three small wars. Until recently, the initially difficult relations between Russia and Ukraine were only getting worse, with mounting misunderstanding and mistrust. Although there is a huge domestic need in both Russia and Ukraine for a change in this abnormal situation, there are no less objective factors which complicate the situation.

First, virtually all the republics of the former empire face the problem of creating their statehood almost from scratch (Russia is faced with this to a lesser extent, but faced with it nevertheless). Meanwhile, history shows few instances where new states have arisen from the ruins of empire without wars and military conflicts. Second, leaders who have come to power in what is essentially a revolutionary situation have, as a rule, extremely meager experience of independently conducting actual policy and are very often unable to avoid conflicts. Third, the danger of underestimating existing threats plays its part. Fourth and last, virtually all ties among the republics have disintegrated. A geostrategic gap has formed on the territory of the former Soviet Union.

[Ivanov-Smolenskiy] What has to be done in the first instance to plug that gap?

[Karaganov] Two objectives of Russian state strategy should, in my view, be paramount in this unprecedented situation. The first is avoiding wars. The second is preventing the collapse of Russia itself. For this it is necessary to create in turn within the framework of the CIS, without being intimidated by the words, a system of permanently operating bureaucratic links. Such bureaucratic links would form one of the most stabilizing

elements. It is generally known that NATO and the EC are highly effective organizations. However, it must be borne in mind that NATO has wonderfully withstood crisis not least because the enormous bureaucratic apparatus in all the countries has had an interest in continuing to function.

[Ivanov-Smolenskiy] Nevertheless, mindful of the attitude to superstructures of President Kravchuk and other leaders of independent states, how do you envisage the creation of suprastate bureaucratic structures in general?

[Karaganov] These should not be superstructures, but rather, interstructures. Take for example, a council of deputy power industry ministers, a council of deputy administrators of the central banks, and a council of deputy transport ministers. They should regularly meet, exchange information, and help one another tackle problems. How many meetings have there been, say, between Russian and Ukrainian parliamentarians?

[Ivanov-Smolenskiy] Who has joined the Council for Foreign and Defense Policy to date? What programs has it already started work on?

[Karaganov] The founding members of the council comprise 35 people who are well known and command authority by no means just in Russia: Ye. Ambartsumov, chairman of the Supreme Soviet Committee for International Affairs and Foreign Economic Relations; Yu. Vorontsov, presidential adviser on foreign policy; V. Ispravnikov, chairman of the Supreme Economic Council; A. Kokoshin, first deputy defense minister; V. Lukin, ambassador to the United States; V. Petrovskiy, UN deputy secretary general; S. Yegorov, president of the Association of Russian Banks; M. Masarskiy, president of the Association of Leaders of Enterprises; S. Stankevich, presidential adviser; S. Fedorov, general director of the "Eye Microsurgery" interbranch scientific and technical complex; and G. Yavlinskiy, chairman of the council of the Center for Economic and Political Studies....

As far as the programs are concerned, work is already under way on three of them— "Open Cities," "Housing for Servicemen," and "Security of Information." The most important of those planned for the near future are "Links with Ukraine," "Integration of Officers," and "Strategy for Russia." When the long-term state priorities and national interests of Russia have been clearly formulated, no confusion can arise and it will be possible to clearly differentiate the personal opinion of a deputy or politician from the official stance.

[Ivanov-Smolenskiy] Suggesting goals and priorities to the government and president is not, perhaps, even half the job. It is far more difficult, as we can see today, to choose accurate, reliable methods for achieving them. For example, the answer to the question "How is the integrity of Russia to be preserved?" is far more difficult than the answer to the question "Should its integrity be preserved or not?"

[Karaganov] Yes, the worsening economic crisis and the diversity of the political and ethnic map of Russia make the threat of growing separatism extremely dangerous. However, the causes creating a threat to the integrity of the state are not just complex in themselves. It is even more difficult to gauge unerringly the permissible, as it were, measures of self-defense of the state. Although I am an opponent of force in politics, I am bound to realize that by completely rejecting the possibility of using force to preserve its integrity, the state itself paves the way for irresponsible actions by many of its citizens.

In short, we have more than enough complex questions for which neither the state leadership nor society today has any defined answers. To condemn the government to an agonizing search for these answers on its own and to condemn our citizens to aimless wandering in semidarkness is a dishonest and risky venture. We therefore will seek to turn the Council for Foreign and Defense Policy into a structure which facilitates the search for sensible solutions.

Deputy Foreign Minister Interviewed on Issues

OW1007043692 Moscow Central Television
First Program and Orbita Networks in Russian
1900 GMT 5 Jul 92

[Studio interview with Russian Deputy Foreign Minister Fedor Vladimirovich Shelov-Kovedyayev by Petr Orlov; from the "Utro" program—live]

[Text] [Orlov] The upcoming week is one of great international political events, and whether it is good or bad, or whether you like it or not, the first international event is the meeting of CIS leaders, which opens today in Moscow at 1300. It is hoped that by this time the participants of the meeting have been able to fly to Moscow. Today, in our program, we will try to analyze the forthcoming possibilities to be engendered by this meeting, and we will also look at other great political events scheduled for this week. With us in the studio is Fedor Vladimirovich Shelov-Kovedyayev, the deputy foreign minister of Russia. Let us now turn to the CIS meeting. There are number of issues here, aside from the military issues, that concern the rights of people who inhabit the CIS states. Is this so, and what are the prospects?

[Shelov-Kovedyayev] I would say that, in general, the issue of rights is the common tenor of all meetings, because, as you know, the issue of human rights is currently a priority issue, not only in mutual relations within the Commonwealth, and not only an issue at the center of attention of the Russian Government and the other Commonwealth governments, but it is an issue that also has quite a unique international ring at the present time. Nevertheless, I would mark two very important topics which will be discussed today at the Commonwealth heads of states meeting.

First, it is those procedures which must be observed by any state departing the ruble zone, which, as you understand, directly concerns the rights of citizens and their welfare. Also, there is one other important document, which, if adopted, I think will earnestly move us toward full establishment of civilized basic international rights in mutual relations between the Commonwealth states. This is the draft concept of some, conditionally speaking, charter documents which will define the rules for interaction—rules which should be followed by all Commonwealth states in mutual relations among themselves—and which will define competency of those institutions functioning within the framework of the Commonwealth.

[Orlov] This long formulation replaces, as I understand it, in the official protocol language, the concept of the Commonwealth Charter.

[Shelov-Kovedyayev] Yes, I purposely did not define this in a word, because it is difficult for me to anticipate what the final document will be called. It could be a statute, an agreement, or a charter, the point is not the exact word. The point is what will its content be as we see it. I have in mind those who worked on the draft concept, and those ideas we considered indispensable to include in it—this is what I have just described.

[Orlov] Only if the talks at the meeting reach that stage.

[Shelov-Kovedyayev] No, we should not doubt that it will reach that stage; this is one of the basic key issues. It is not the first time that this issue has surfaced, and now we have reached the point where we have a draft concept. In general, however, the issue of the necessity to have such a document has been discussed for the past six months....

[Orlov, interrupting] From the beginning, but obviously someone, some section of CIS leaders do not particularly want to enter into some kind of fixed, statute-regulated relations in order not feel themselves bound to the CIS. Is this correct, in your view, or not?

[Shelov-Kovedyayev] No, I would not say that. The point is simply that we needed to gather all the opinions, and somehow to shape them into a definite form. Perhaps, there should not have been any haste at this point, because the ideas came and crystallized gradually as did the institutions within the framework of the Commonwealth. This happened after we had gained certain experience, and after we had seen what opinions there were and what the majority of states wanted. This brings us to the present, when we can objectively discuss a document of this sort.

[Orlov] And now, another sphere and another theme—I mean, the same sphere but a different theme. Through the information network we have begun to notice a large amount of news about the unfriendly, to put it mildly—I am starting to borrow a little of your language, naturally—the unfriendly actions by the official armed formations of the Baltics against Russian troops which are

still there. Conflicts are continuing in Moldova, and although it has been quiet over the weekend, there have been pointed interchanges of political announcements. How is all this connected? Is this some new fundamental point in mutual relations on this territory. What is behind it?

[Shelov-Kovedyayev] I think the reason for it is twofold: One is the approaching Helsinki meeting, slated to begin in a couple of days, and also certain political forces in the various neighboring states. Similarly oriented forces within our own country are also becoming more active as the Helsinki meeting approaches. This might be done to provoke some kind of sharp reaction from Russia in an effort to strengthen their own positions at the summit. I find it encouraging that Russia, at both the presidential and governmental levels, is taking a very calm and moderate stance without reacting sharply to these jibes, which sometimes get very provocative.

[Orlov] A short answer to a short question, please: Was the nomination of Major General Lebed, the new commander of the 14th Army in Dniester, coordinated with you?

[Shelov-Kovedyayev] This is the prerogative of the Russian Defense Ministry, since the 14th Army is under the Russian jurisdiction. As far as I know, this appointment was not coordinated with us.

[Orlov] What is the position of the Russian Foreign Ministry on protecting the rights of citizens who are now outside Russian borders, if there are indeed such citizens? Whether they are ethnic Russians or Russian citizens—what is the guiding principle for such activities?

[Shelov-Kovedyayev] There are several ways of protecting their rights. Naturally, I will talk only about the legitimate activities because the Foreign Ministry was not created to use force for the protection of citizens.

There are several possible forms of protection. Let me remind the audience that in every agreement signed with the Commonwealth, or just with the neighboring states, a major section of clauses is dedicated to the protection of citizens' rights. What is more, we have developed a whole package of proposals that concern the rights of both the citizens and the national minorities. Other issues, such as consular convention, visa agreement, and legal assistance in civil, criminal, and family issues are also mentioned. All this is treated at the level of bilateral agreements.

Moreover, we are dealing very seriously with the opening of embassies and consulates in the New Independent States [NIS], as they are called nowadays. Naturally, these problems are most acute there, because recently, 25 million Russians found themselves outside of the Russian border.

I regret to say that this work, which we started a long time ago and which should be approaching its completion—I am referring to the opening of offices and their being staffed by qualified personnel—continues to be hindered by the total incomprehension of the Ministry of Finance, which fails to understand the logic of our requesting funds to finance this. They just tell us that all states within the ruble zone must be paid differently than the other countries of the world.

We differ in the opinion that there cannot be two kinds of diplomats. We had already lost quite a lot when we tried to play by these rules in the socialist camp, and we would like to avoid it now. We want our diplomats in the NIS to be untroubled and respected, not dependent on the ups and downs of market prices and supplies from the center.

[Orlov] These are the diplomats. What about the people?

[Shelov-Kovedyayev] The purpose of the diplomats' work is to take pressure off the people. We must develop a broad network of consular services that have completely new tasks. Even today, our ambassadors who, having no permanent quarters, just keep visiting the countries they represent our interests in, and they are noting a huge body of problems we will eventually have to confront. Unlike other countries, not just a few people a day appeal to us there. We are talking about hundreds and thousands of people who come every day with problems covering the entire range of human relations.

[Orlov] We are not speaking about immigrants, or a couple of dozen people here, but refugees in fact.

[Shelov-Kovedyayev] No.

[Orlov, interrupting] Can you not issue them Russian passports? How should we act? Whom are we protecting? Russians, who? Does the MID [Ministry of Foreign Affairs] have a position on this?

[Shelov-Kovedyayev] The point is we are ready.... [changes thought] First, I must tell you that after the Moscow meeting with the CSCE which was held in September, October, as you will recall, it was settled on an international level that the issue of human rights is not an internal matter of either this or that state. That is, we are prepared to defend the human rights of anyone who appeals to us. Of course, first it is the people who identify themselves ethnically or culturally with Russia. Also, in my view, we are bound to protect all these people. As far as passports are concerned, that is consular work, and again we need to open offices. For this we need—and this may sound mundane—financing. Consider this: The Byelarus ambassador to Chisinau will receive between \$1,200 and \$1,500. Therefore, in order that we look comparable, the salary of our ambassador must be somewhat similar. Perhaps, to someone it may appear somewhat strange that the person in Chisinau will be receiving huge sums, particularly, as is our wont, to convert it to rubles, although this is absolutely wrong.

[Orlov] Frankly speaking, to me these are two totally different issues—that is, how much an ambassador receives, and how people live in, let us say, Armenia, Azerbaijan, Tajikistan, or Moldova—places where there are a torrent of requests for resettlement or requests to come under Russian protection. These two things somehow exist on two different levels.

[Shelov-Kovedyayev] This is not exactly right. It all depends on the person himself working in that country. Will he consider himself dependent or independent of the situation or from the authorities of that country. We need to make him independent in order that he could proudly defend the rights of citizens who appeal to him. However, that is only one of the topics. The second is that after all these consular points are opened, we will undoubtedly have to issue Russian passports—albeit when indeed these consular offices finally appear. This is also a problem for our parliament, which still cannot ratify the form of the new Russian passport—that is, not a new form of the Russian passport, but simply a form, a unique form. Therefore, we are ready to accept people for citizenship, but, in accordance with Russian citizenship laws. In short, at embassies or consulates where people apply, before they can receive a document, there must exist some form of document. Therefore, this is a complicated knot of problems—a knot which depends, unfortunately, not only on the Ministry of Foreign Affairs.

[Orlov] Are you intentionally staying away from the political determinations when discussing this topic?

[Shelov-Kovedyayev] What do have in mind when you say political determinations?

[Orlov] You are talking about forms, salaries, embassies, houses, about the pride of the ambassador, and that is all.

[Shelov-Kovedyayev] No, but what do you mean by political determinations?

[Orlov] Are there powers which are impeding the MID in conducting some concept directed at protecting Russian people and Russian citizens [russkikh i rossiyskikh grazhdan] abroad? Also, how will you distinguish Russians from Russian citizens?

[Shelov-Kovedyayev] No, I am saying that we will protect all the people who appeal to us. Nevertheless, as far as groups or forces conducting single-minded activities are concerned, we are aware of them, without a doubt. These people, however, are not working against MID as such; they are simply working against the new policies of Russia. As people who have been bred in the Bolshevik traditions, they truly believe that someone can be made happy through force, and that is why we constantly hear calls that we should move troops here and there to restore order via the use of force. I must bring to the attention of these people that when they refer to the American experiences in Grenada or Panama, for instance, they must consider that these operations were

long in planning, and second, that they were of short duration. Marines or some other specially trained units of the United States Army were quickly deployed and then quickly gathered the several dozen, or at best several hundred, American citizens and withdrew. For us, however, in the Dniester region, where we are constantly being urged to use force, we would have to collect hundreds of thousands of citizens who, moreover, do not want to leave. They want to remain and live there. They consider it their land.

[Orlov] So therefore, you consider this to be unrealistic, right?

[Shelov-Kovedyayev] I think the clenching of fists, in general, is no different than the concept of making someone happy through force; both are completely unproductive. It is another matter when we talk about wanting to ensure that a cease-fire is being observed, where it is necessary to separate the opposing sides and introduce independent forces into that corridor, which, if need be, could employ suppressive means to quell hot spots. In this respect, a workable plan has been proposed by Byelarus to mediate in the Dniester region, whereby Byelarusian contingents would stand between the opposing sides and observe the necessary international procedures, which include the forces' placement under the auspices of international organizations, the participation of international observers, and the infusion of foreign officers, Finnish or some other.

[Orlov] In other words, an international contingent.

[Shelov-Kovedyayev] Yes, of course, in order to bring it all under international control and prevent unilateral, coercive, spontaneous, and emotional actions. This is because....

[Orlov, interrupting] This is what the Foreign Ministry will support?

[Shelov-Kovedyayev] We have always supported it.

[Orlov] To sum up our discussion, the political and legal issues of cardinal importance, guidelines for withdrawing from the ruble zone, and also the possible blueprint of a document defining the activities of the CIS states—it might be unofficially called a blueprint of a future charter—will be discussed at today's Moscow meeting of CIS leaders. Once the embassies and the consular branches are fully functional, the Russian Foreign Ministry and the Russian Government are willing to assertively protect Russian citizens living outside Russian territory. Thank you.

[Shelov-Kovedyayev] Thank you, too.

[Orlov] Fedor Vladimirovich Sheldov-Kovedayev, Russian deputy foreign minister, has taken part in our program.

CIS Summit Decisions 'At Last Constructive'

PM0907113792 Moscow KRASNAYA ZVEZDA
in Russian 8 Jul 92 pp 1,3

[Report by Captain Second Rank O. Odnokolenko:
"CIS: Life Itself Forces Us to Stick Closer Together"]

[Text] Two sets of questions—economic and military—formed the main theme of session of the CIS Heads of State Council meeting which has ended in Moscow. It was held against the background of unrelenting fighting in the Dniester region, South Ossetia, and Nagorno-Karabakh. Maybe that is why such great significance was attached to military questions. It was also presumably because it is clear to everyone that unless we establish peace in our common home we will not be able to do what we promised at the beginning of the reforms and improve life for even one person, let alone hundreds of millions of people.

The heads of state reached a coordinated decision: Only Russia shall retain the status of a nuclear power. How this decision will be implemented will become clear after the talks among the CIS' four nuclear states. But come what may the significance of the agreement should not be underestimated. It is equally important not only for us but also for the whole world community, which has been given every reason for believing that the Commonwealth states are ready to unswervingly abide by international accords.

It seems that understanding was reached during the meeting on a number of other equally important defense and military problems. If one is to be highlighted it must undoubtedly be the problem of settling interethnic conflicts in which, whether we like it or not, various military formations, regions, and even whole republics are increasingly being embroiled. In this connection the leaders of the CIS states came to a conclusion on the need to create joint peacemaking armed forces modeled on the UN "blue berets."

Time will tell how productive that idea is.

The first region where the CIS "peace-making armed forces" will be introduced is the conflict zone in Moldova, Russian President Boris Yeltsin stated in reply to journalists' questions. These forces will be created immediately after the CIS foreign ministers and defense ministers hold an emergency meeting to elaborate the corresponding mechanisms. The CIS partners will consult one another on the further use of disengagement forces.

It was hard to devise a single radical way of resolving the economic problems and disputes, of course. Even the agreement on the status of the Commonwealth Economic Court, original though it is, is just one step among many which the states will have to take toward each other. The main thing, though, is that these steps are at last constructive. An encouraging statement was made in this regard by Kyrgyz President Askar Akayev, who called the Moscow meeting a breakthrough. In his

opinion, the states' leaders have for the first time managed to agree on a specific mechanism for the implementation of earlier economic decisions. Presumably trust among the CIS members was also strengthened since the Russian President has been authorized to act on behalf of the CIS heads of state at the "G-7" meeting in Munich. That fact may also be regarded with complete justification as a positive outcome of the Moscow meeting.

The CIS heads of states' meeting is the latest step aimed at "normalizing life in the CIS." That opinion was expressed in an interview for RIA by Aleksandr Kotenkov, a Russian delegation expert and chief of the Russian President's State and Law Administration. In his opinion, the Collective Security Agreement signed in Tashkent in mid-May determined who is who in the CIS. In fact, this document divided the CIS members into several categories which, in the Russian delegation expert's opinion, is perfectly normal. "When they tried to apply a single yardstick to all the CIS states," Kotenkov noted, "the CIS came apart at the seams, but when within the CIS framework each state finds its own 'niche' and its own approach in relations with other states, everything falls into place."

There is no doubt that with each meeting we are gaining great experience of communication and learning to understand one another better. The success in Moscow, presumably, was largely predetermined by that factor. But the main thing is that life itself is making us pool our efforts. We have already lived apart. Now we must learn to live together.

Government Instruction on IMF, IBRD Admission

PM0807083792 Moscow ROSSIYSKAYA GAZETA
in Russian 2 Jul 92 First Edition p 3

[Unattributed report under "Government Resolves"
rubric: "Admission Paid For"]

[Text] In accordance with the Supreme Soviet resolution of 22 May 1992 "On the Russian Federation's Admission to the International Monetary Fund [IMF], the International Bank for Reconstruction and Development [IBRD], and the International Development Association," the Russian Federation Government has instructed K.G. Kagalovskiy, its authorized representative for collaboration with international financial organizations, to deposit with depositories the Fund's, the Bank's, and the Association's articles of agreement and the documents relating to Russia's acceptance of the said agreements and the conditions prescribed in resolutions of these organizations' boards of governors on our country's membership thereof. He has also been instructed to deposit with the Fund the document on the Russian Federation's participation in its Special Drawing Rights Department and to sign on the Russian Federation's behalf the authentic texts of the Fund's, the Bank's, and the Association's agreements.

A government delegation with the following members was sent to Washington at the beginning of June to register our country's membership of the IMF: K.G. Kagalovskiy, Ye.A. Ambartsumov, A.P. Vavilov, S.M. Ignatyev, S.V. Lavrov, and N.A. Subbotin. The associated expenditure in foreign currency has been recorded as having being paid from the republic currency reserve and that in rubles from the government reserve fund.

The Russian Federation Ministry of Finance, in coordination with the Central Bank of Russia, has been instructed to make provision for the allocation of the necessary resources to pay the Russian Federation's contributions in the amounts, procedure, and time periods prescribed by the Fund's, the Bank's, and the Association's agreements and their boards of governors' resolutions concerning our membership thereof.

Columnist Doubts Whether Aid Is Forthcoming

PM0807123192 Moscow IZVESTIYA in Russian
7 Jul 92 Morning Edition p 1

[Article by Mikhail Berger: "Russia Is Counting on IMF Aid, But Does Not Agree to All the Fund's Demands"]

[Excerpts] The question of international financial support for the reforms in Russia worth \$24 billion, which seemed to be resolved conclusively at the end of March this year, still remains moot three months on. No checks have been written out by anyone yet, although, according to the original estimates, the initial sums of money should already be well on their way.

The peremptory notes present in President Yeltsin's replies regarding aid for the Russian reforms could perfectly well have been regarded as preparing public opinion for the possibility that such aid may not be forthcoming. [passage omitted]

In the course of 4 July's news conference, you could have got the impression several times that Yeltsin was prepared for the fact that Munich would not deliver the aid promised to Russia and was preparing "all interested parties" for this.

There is quite a lot of justification for interpreting Yeltsin's answers in precisely that way. The political instability in Russia and the protracted conflict between legislative and executive power, instilling uncertainty about the durability of the position of the cabinet of reforms—all this has made the people making the decisions on aid exhibit caution. Grounds for fears have also been increased by the Russian president himself by appointing a "group of directors" whose market leanings were, in no way, manifest before to the government leadership.

The appointment of representatives of the military-industrial complex and the old economic nomenklatura to the posts of vice premiers called into question the

dominant position of the Gaydar team. Repeated statements by the president about the impossibility of liberalizing prices for sources of energy and concessions in the sphere of monetary policy (large credits granted to the agrarian and power industry complexes) added arguments in favor of the view that Russia is turning away from the planned reforms.

The \$24 billion, of which there has been so much talk, have started acquiring a certain spectral outline. If Russia was still really counting on the billions, Yeltsin had at least to confirm somehow his commitment to the reformists, if that commitment was still there. Such confirmation was forthcoming. Initially two ministers from the Gaydar team reinforced the expanded ranks of vice premiers and then Gaydar himself was appointed acting head of government.

However, on the other side of the scales, there have been attempts at various levels of power in Russia to soften the monetary policy, to lower taxes, and to increase the budget deficit. Moreover, observers note a growth in the influence of another section of the president's entourage, one connected not so much with reforms as with Yeltsin's previous career and also with the current directors' lobby and maybe the supporters of a so-called hard line in foreign and domestic policy. It is difficult to judge the extent of their influence, but their existence is shown by the president's statements that Russia could manage without aid and by the pretty harsh assessment of Foreign Minister Kozyrev's statement regarding the possibility of an antidemocratic coup. The actual reference in this assessment to the Security Council, the role of which will probably increase, is symptomatic. Yuriy Skokov, representative of the military-industrial section of the directors and one of Gaydar's former rivals for the post of vice premier last fall, is secretary to the council.

The consequences of the liberalization of prices for energy sources can be assessed in various ways, but the refusal of IMF aid or the refusal by the IMF to give aid to Russia would have perfectly clear consequences. The problem is not even the billions on which the Russian authorities are counting this year, although they are vital. No, the lack of an agreement with the IMF will immediately halt all the debt rescheduling which has now been granted against future credits from the fund, as it were. This means that Russia will not have the wherewithal even to pay for the chartering of the ships delivering us grain and food, and they will halt without even reaching our shores. [passage omitted]

The policy which President Yeltsin has pursued of late, in the runup to the Munich meeting, could be described as a "month of campaigning in support of Gaydar." After the G-7 meeting, when the evidence of commitment to reforms and the reformists will have been presented, the president will return to domestic problems. Will he also be firm regarding the demands for radical adjustment of the course and tell the advocates of such adjustments that he can manage without their

advice, or will there be the advent of a "month of campaigning" with a different title?—that is the question.

Program Covers G-7, Israel, Nagorno-Karabakh

LD0507153592

[Editorial Report] Moscow Programma Radio Odin Network in Russian at 1030 GMT on 5 July carries a 30-minute edition of its "International Review: The World This Week" program, hosted by commentator Viktor Levin.

Program participants include: Nikolay Vladimirovich Shishlin, a publisher; Arye Levi, Israeli ambassador to a number of CIS countries; and Grigoriy Mikhaylovich Lopshin, senior secretary of the Federation of Peace and Concord.

The program opens with Shishlin and Levin discussing the upcoming G-7 summit in Munich, agreeing that Japanese Prime Minister Miyazawa is being too energetic in the run-up to the summit in drumming up support to get Yeltsin to be more obliging on the northern territories issue. They note that compromise must be sought with Moscow and not with Washington. Hastening events is somewhat risky if only because the internal situation in Russia needs stabilizing in all areas, they note. A compromise must be sought which would meet both the interests of Russia and Japan, they agree, adding that Yeltsin's five-stage plan would do the trick. Shishlin points out that by not making aid available to the fledgling Russian democracy, the West is making a strategic mistake that it must rectify. If chaos sets in in Russia, if chaos sets in in the CIS, this will be a total loss for the West, Shishlin warns. Yeltsin's U.S. visit clearly has been useful in creating a certain amount of understanding of this, he says, adding: "I am not prepared to say most definitely that, yes, the West has already made its choice and that the West is decisively changing the strategy of its approach vis-a-vis Russia." While Humanitarian aid is fine, what is needed is technological cooperation and economic cooperation with the West, Shishlin concludes.

At 1040 GMT, Levin interviews Levi on the Israeli election results. Levi says that he feels that a new Israeli Government will probably show a great interest in expanding and reviving relations with Russia. The Israeli foreign minister's visit has not been cancelled but has simply been postponed, he advises. Yitzhaq Rabin wants the Near East talks to achieve a regime of autonomy in Judea and Samaria, Levi says, adding that funds for new settlements will be diverted into helping those who are newly arrived and into creating jobs.

At 1047 GMT, Levin interviews Lopshin on the results of the international conference on resolving the Nagorno-Karabakh problem, held in Washington on the initiative of the Federation of Peace and Concord and

the Carnegie Fund. Lopshin outlines the positions taken by Turkey, Iran, Russia, and the United States at the conference.

At 1100 GMT, the program ends.

German Parliamentarians Arrive in Moscow

OW0607173892 Moscow INTERFAX in English
1558 GMT 6 Jul 92

[Transmitted via KYODO]

[Text] A delegation of German parliamentarians and journalists arrived in Moscow Monday [6 July]. The delegation is headed by State Secretary and official representative of the German government on migrants Horst Waffenschmidt. "IF" [INTERFAX] learned the delegation will visit the Altay region, and the Kiev and Odessa regions where Germans live. The delegation will meet with members of the government and parliament of the Russian Federation Monday evening.

The Chairman of the Russian State Ethnic Committee Vladimir Tishkov told the delegation that a "Migration" program was passed by the Russian government which will give all Germans of the former Soviet Union the right to relocate to Russia. A program to provide the German children with a German-language education.

Tishkov said that prior to the arrival of Waffenschmidt's delegation a proposal arrived from Bonn to sign a Russian-German protocol on the gradual resurrection of the statehood of Russia Germans. The document which was initiated in Bonn in April, was supposed to be signed in October during a visit to Moscow by the German Foreign Minister. Tishkov said the protocol may be signed "if organizational difficulties can be overcome in time".

Ethnic Issue Discussed

LD0707084492 Moscow Teleradiokompaniya
Ostankino
Television First Program Network in Russian 2000
GMT 6 Jul 92

[From the "Novosti" newscast]

[Text] There has probably not been a single meeting of Russian and German politicians over the last few years which did not touch upon the problem of Russian Germans. This subject was also the focal point of the meeting today between Ruslan Khasbulatov, chairman of the Russian Supreme Soviet, and a delegation of parliamentarians and representatives of German business circles headed by Horst Waffenschmidt, parliamentary secretary of state of the Interior Ministry.

After President Yeltsin issued the decree on the rehabilitation of Russian Germans, much has been done to resolve this extremely complicated problem. Naturally, various commissions were set up. At the same time specific projects have been planned. In the middle of this

year in Saratov and Volgograd Oblasts they should have started implementing them with the financial and technical involvement of Bonn. However, the process that has started is coming up against great difficulties, first and foremost owing to a lack of clarity in the normative acts on national autonomy. This is giving rise to fears both among the local inhabitants as well as among the bodies of representative and executive authority on the spot.

The situation was further aggravated by the recent decision of the Engelskiy Rayon soviet not to give permission to set up a German national formation in that rayon. What is more, the Ministry of Defense is refusing to return to Saratov Oblast lands used as training grounds and of a military state farm. It is precisely these that were intended for the setting up of the German national area. The understanding of the difficulties this problem involved and of the need for its stage-wise solution on the basis of cooperation expressed at the meeting of parliamentarians inspires optimism.

Western Group of Forces Properties Examined

OW0807155192 Moscow INTERFAX in English
1311 GMT 8 Jul 92

[From "Diplomatic Panorama" (DP); transmitted via KYODO]

[Text] The Russian government has issued a decree to form a commission on the use of property belonging to the Western Group of Troops (WGT). The text of the decree is at the disposal of DP.

The 20-member commission will have its headquarters in Wunsdorf, a suburb of Berlin. It is designed to "resolve problems connected with the use and sale of WGT property in the interests of obtaining additional sources of financing the construction of housing and other high-priority socio-economic programs for the WGT servicemen withdrawing from Germany to Russia. [no end quotation mark received]

Together with Russia's Foreign Ministry, Defence Ministry and External Economic Relations Ministry the commission will "continue negotiations with German officials and sign the necessary documents without delay".

A separate resolution on the commission was signed by Russia's Acting Prime Minister Yegor Gaydar. Its text is also at the disposal of DP. It says that the commission "is to protect the financial and economic interests of the Russian Federation in connection with the stay and withdrawal of the WGT from Germany".

The resolution says that as a legal entity the commission "is authorized to sell WGT property upon consultations with the command of the WGT". Besides, it has the right to "take decisions on the terms and procedure of transferring such property as Russia's contribution to the registered stock of joint ventures, and act as founder of

joint-stock and other societies". The commission is also allowed to "sell and use Russia's property obtained as a result of its work".

The resolution has a special stipulation: "the funds received as a result of selling or leasing WGT property, and part of the profits made by the joint ventures which received WGT property as contribution to their registered stock will be remitted to finance high-priority programs for Russia's armed forces".

"Profits from the sale and use of Russian property derived as a result of the commission's work will be channelled to Russia's budget".

[Moscow ITAR-TASS in English at 1011 GMT on 7 July, in a similar report, notes the following: "Proceeds earned from selling or leasing military property, as well as incomes derived from joint ventures will be earmarked for priority social programmes for the military."]

Iran Favors Developing Cooperation With Russia

LD0507034392 Moscow ITAR-TASS World Service
in Russian 1030 GMT 3 Jul 92

[By ITAR-TASS correspondent Oleg Kuzmin]

[Text] Tehran, 3 Jul—The Iranian Government is emphatically in favor of developing cooperation with the Russian Federation. Despite its establishment of links with many republics of the former USSR, Tehran sees Russia as its main partner in the CIS and as the successor to the economic agreements that were previously concluded. This was stated by Mahmud Vaezi, the Islamic Republic of Iran's deputy foreign minister, to Anatoliy Ogurtsov, Russia's deputy industry minister, during a conversation in which the results of the visit to Iran by a Russian delegation were summarized.

Anatoliy Ogurtsov, who had been in Tehran to take part in a conference of industry and technology ministers of the member countries of the UN Economic and Social Commission for Asia and the Pacific (ESCAP), held intensive talks here at a number of ministries and with representatives of Iranian private business.

Summing up the results of his meetings and talks in the Iranian capital, the Russian deputy industry minister noted in an interview to an ITAR-TASS correspondent that Iranian officials show an interest in cooperation with the Russian Federation in many areas. They continue to regard our country as a neighbor although we now have only a maritime border in common. In Tehran's opinion, the visit to Iran by a high-ranking Russian economic delegation will make an important contribution to expanding relations of partnership.

Speaking about the Russian delegation's participation in the ESCAP conference, Anatoliy Ogurtsov noted that the forum adopted the politically important Tehran Declaration calling on the region's countries to expand cooperation and mutual assistance. As a Eurasian power,

Russia aims to be actively involved in the Asia-Pacific region's activities, and to develop mutually beneficial links with all its states.

Besides everything else, the conference provided a good opportunity to establish business contacts. There were useful and promising talks with the delegations from India, China, Mongolia, South Korea, Japan, and other countries. In addition, a protocol of intent was signed with the World Assembly of Small and Medium Enterprises.

Transport Communication Treaty Signed With Iran

*LD0607151192 Moscow ITAR-TASS in English
1025 GMT 6 Jul 92*

[By ITAR-TASS diplomatic correspondent Sergey Postanogov]

[Text] Moscow July 6 TASS—The Government of Russia recently adopted a decision to sign an agreement on transport communication with the Islamic Republic of Iran. The agreement [words indistinct] special reductions in taxes and tariffs, connected with the use of highways and cars and commercial vehicles, as well as other privileges.

The agreement will last until either of the sides wishes to terminate the contract.

U.S. Support for Iranian Opposition Criticized

*NC1007090992 Moscow Radio Moscow in Persian
1330 GMT 9 Jul 92*

[Text] A majority in the U.S. House of Representatives has voted to support the Iranian opposition. This was reported by U.S. Representative [from California] Mervyn Dymally.

A statement signed by more than 200 representatives says that support for the National Resistance Council of Iran will help achieve regional peace and stability. Radio Moscow commentator Sergey Viktorov writes on this:

I would like to point out that the U.S. House of Representatives decision is not surprising. The issue here is not only the opposition National Resistance Council of Iran; there may be various views about this organization. Undoubtedly some people in Iran support it while others abhor it because during the years of war with Iraq, it was an ally of Saddam Husayn.

In addition, the Mojahedin-e Khalq prefers the method of armed struggle to civilized and political opposition activities, even though the current political system in Iran does not favor the establishment of a civilized political opposition. As the experience of many countries has shown, only a civilized opposition helps governments adopt more balanced decisions, taking various views into consideration. These types of decisions are often very effective.

This issue, however, does not eliminate a major principle in nations' political life; that is, that relations between a government and the opposition is a domestic issue that concerns the country in question. This is true if, of course, the country in question is not doing anything against UN principles.

In this case, I believe we are dealing with intervention in the domestic affairs of a sovereign Iran. It is improbable that such decisions will receive international support.

For example there is a political opposition in Russia, the only difference being that this opposition has extremist tendencies. How would the Russian Government react if suddenly a country decided to support the Russian opposition, especially its extremist faction in a fight against the legal government? I think that it is clear what the reaction would be. Relations between Russia and that country would be greatly exacerbated, maybe even severed.

The fact is, however, that this example is not applicable because Iran and the United States have practically no relations whatsoever and a great deal of hostility exists between them. That, however, is another issue.

U.S. Aircraft Moves Presage 'Major Exercises'

*PM0907104192 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 8 Jul 92 p 1*

[G. Volynets report followed by editorial postscript under the rubric "Intelligence Reports"]

[Text] According to a report from the Kamchatka Naval Flotilla, an active transfer of U.S. military aviation from Japanese bases to Alaska has been observed over the past 48 hours. The number of combat aircraft and their destination suggests that major exercises are in the offing. Three nuclear submarines and two U.S. Navy Intelligence surface ships are still on duty in neutral waters off the shores of Kamchatka. [Volynets ends]

P.S. Our military correspondent, A. Khokhlov, has been informed at the Navy Main Staff that yesterday the U.S., Japanese, and South Korean Navies began their scheduled "Rimpac" exercises. The exercises will go on for more than a week in the region of the Hawaiian Islands. A group of U.S. Navy ships has left Pearl Harbor, with the aircraft carrier Kitty Hawk as the flagship. The Americans will meet up with Japanese and South Korean ships in the Pacific Ocean and start "waging war." The Navy Main Staff is monitoring the course of this "war," and believes that it presents no threat to Russia.

U.S., Russian 'Open Land' Pact Faces Snags

*MK0807104992 Moscow MOSKOVSKIYE NOVOSTI
in Russian No. 28, 12 Jul 92 p 2*

[Unattributed, untitled report under the "Diplomacy" rubric]

[Text] U.S. citizens will be able to travel around Russia however and wherever they like. It is claimed that Russian citizens will be permitted to do the same in the United States.

This will be made possible as a result of the sides' signing, in Washington, an intergovernmental memorandum on so-called "open land." In other words, diplomats, journalists, and businessmen from the two countries will no longer require the authorities' special permission to move around. To all appearances, however, this will not happen until the U.S. and Russian foreign policy departments have been able to agree on all questions connected with "closed areas." Interested persons should not forget that uninterested departments still exist, at least in Russia. The speed with which these departments have been slamming inner doors has recently been no less than the speed with which the Foreign Ministry has been opening outer doors. MOSKOVSKIYE NOVOSTI's correspondent made more than 20 telephone calls to the Foreign Ministry before he managed to find out that there are "certain difficulties" in implementing the memorandum. Just one thing stands out clearly in this fog: The United States and Russia reserve the right to prohibit access to installations and places which cannot be reached now without special permission.

Intelligence Service's U.S. Book Deal Noted

PM0907092692 Moscow ROSSIYSKAYA GAZETA
in Russian 4 Jul 92 First Edition p 2

[Aleksandr Golubev report: "Special Services: Glasnost in Intelligence Has Its Limits"]

[Text] The Foreign Intelligence Service's press service has announced details of the contract that Yevgeniy Primakov's department proposes to sign in the very near future with the American publishers Random House. This report prompted all kinds of speculation.

As Yuriy Kabaladze, chief of the press service, stressed, "glasnost in intelligence has its limits," so that there can be no question of any publishing activity that could be detrimental either to Russia or to the intelligence service itself (for instance, exposing agents or operational information). As for the contract with a major U.S. publishing firm, it amounts to the following: It is planned to publish several books recounting various events in history, making use of certain archive documents which the Russian Foreign Intelligence Service will make available. An interesting point is that each book will be written by two authors, representing both sides. The first book will deal with the hidden details of the Cuban missile crisis, the second the "Cambridge" group of Soviet agents (Philby, Burgess, and others), the third with certain Soviet intelligence operations in the United States, and the fourth the Trotsky affair.

The proper filtering of archive information will be carried out by a triple control system: by the archive

staffers themselves, by a special commission of the Russian Foreign Intelligence Service, and by Ye. Primakov personally.

Reporting details of glasnost in the U.S. special services, Oleg Tsarev, consultant to the Foreign Intelligence Service's press service, said that even he could have unhindered access to FBI archives, but the CIA is still keeping its information under lock and key. Appeals to that organization to be allowed to study various archives, even if they come from American citizens, take two or three years to consider. However, today the CIA is also seeking ways to open up its nonoperational archives.

Report of Tula Troops to Dniester Refuted

PM0707114292 Moscow PRAVDA in Russian
4 Jul 92 p 2

[Correspondent Nikolay Kireyev report: "Canard, Moldovan-Style"]

[Text] Tula—Some news agencies have reported the latest news: that the Tula airborne division has left for the Dniester region. "Idle" heads associate this report with the appointment of A. Lebed as commander of the Russian 14th Army, stationed in that region. Indeed, the general did, at one time, command the Tula airborne force. After that he was deputy commander of the Airborne Troops. Upon investigation it emerged that the "news" is nothing but a Moldovan "canard."

Immediately after the report was broadcast, I called Major General A. Kolmakov, commander of the division, and asked him to comment on the news. Aleksandr Petrovich was direct and laconic, as befits a soldier: "The division has not left its disposition area. The personnel are following the combat training plan."

More on Grachev Meeting With Military Attaches

PM0207143392 Moscow KRASNAYA ZVEZDA
in Russian 1 Jul 92 p 1

[Captain S. Sidorov report: "Russian Defense Minister Receives Military Diplomats"]

[Text] On 30 June, Army General Pavel Grachev, Russian Federation minister of defense, received representatives of the military diplomatic corps on the occasion of their accreditation with the Russian Federation Ministry of Defense. Greeting the military diplomats, most of whom had already been accredited with what used to be the USSR's military department, Army General P. Grachev stressed the newly created Russian Defense Ministry's commitment to the preservation of existing military ties with foreign countries and expressed the hope that their official representatives' activity will promote the strengthening of trust and mutual understanding between the peoples. A speech in reply was given on the military diplomats' behalf by Major General Ning Wenyang, military, naval, and air force attaché to the PRC Embassy in Moscow.

Air Force Chief Reassures Airmen in Ukraine

PM0807131992 Moscow KRSNAYA ZVEZDA
in Russian 2 Jul 92 p 3

[Report by Lieutenant Colonel A. Aleksandrov: "Russia Will Not Abandon Its Sons in Their Hour of Need"]

[Text] Moscow—The Russian Defense Ministry's affirmation of its readiness to defend Russian servicemen serving on the territory of other republics is being acted on.

Colonel General of Aviation Petr Deynekin, commander of the Air Force, has received a group of strategic aviation representatives serving on Ukrainian territory who do not wish to go back on the oaths they once took to honorably serve their Fatherland, which included the republics of the former USSR. The Ukrainian Defense Ministry has presented them with an ultimatum: either betray their oaths, or get off the republic's territory....

Aviation Col. Gen. Petr Deynekin assured commanders of strategic bombers that Russia needed their experience, knowledge, and devotion to the flying profession.

PRC Demarcation Commission Ends First Meeting

LD0907144392 Moscow ITAR-TASS in English
1253 GMT 9 Jul 92

[Text] Moscow July 9 TASS—The first meeting of the Sino-Russian demarcation commission ended in Moscow on Thursday [9 July], the Russian Foreign Ministry reported on Thursday. The commission was set up to mark the Sino-Russian state border at its eastern part in compliance with the border agreement between the two countries of May 16, 1991.

The Russian delegation on the commission is led by Ambassador-at-Large G.V. Kireyev, and the Chinese by the head of the Chinese Foreign Ministry legal department, Sung Lin.

The meeting was held in a friendly and business-like atmosphere. Both sides signed "the regulations on the joint Sino-Russian demarcation commission" as well as several directives and documents regulating the demarcation of the Sino-Russian border at its eastern section, which is of great importance for demarcation work.

Both sides believe that the successful demarcation of the eastern part of the Sino-Russian border will promote calm and stability in the bordering areas of the two countries, economic development and the strengthening of friendship between the two nations.

An understanding was reached to hold the commission's next meeting in Beijing this September.

The Chinese delegation was received by Russian Foreign Deputy Minister G.F. Kunadze.

Government Approves Oil Supply to Turkmenistan

LD0407041392 Moscow Mayak Radio Network
in Russian 1400 GMT 2 Jul 92

[Text] The Russian Government has instructed the Ministry of Fuel and Power Engineering to allocate quotas to the enterprises of the oil-extracting industry this year for supplying oil to Turkmenistan in exchange for the purchase of cotton fiber on a clearing account basis.

Continuing Trade With Arab States Noted

LD0607222392 Moscow Radio Moscow in Arabic
1300 GMT 6 Jul 92

[Text] Dear listeners, you will now hear the views of one of the officials in the Russian Foreign Economic Relations, (Ivan Kavanov).

[Kavanov speaks in Russian with passage by passage translation in Arabic] We are today continuing investment cooperation in the Arab states, either with government guarantees, or through trade, or in cash. We must admit that we are encountering quite a few difficulties. The first of these is the lack of organization in the overall economic machinery of our country and the economic chaos.

I can say that today, there is a government decision to allocate funds in rubles and hard currency, to continue the execution of projects that were started at various times in some Arab countries. I primarily mean the construction of water installations in Egypt, dams in Tunisia, the completion of the building of a electricity-generating station in Egypt, and a steel and iron plant in Algeria.

The government has also given its guarantee for a loan to execute a project for a hydro-electric complex in Morocco.

We have also looked into the issue of the repayment of Algeria's debt incurred as a result of military loans. Despite all the difficulties in this very sensitive field, we have found solutions that are acceptable and interesting to both sides. Algeria has agreed to repay part of its debt, estimated at over \$1 billion, with goods. During the talks, another issue was raised and unfortunately, it has not yet been resolved as it should have been. This issue is the export of the spare parts necessary for the military equipment we have already sold to Algeria.

The Ministry of Foreign Economic Relations was insisting that the sale of spare parts be made in hard currency and in cash. Now we are looking for compromise. The Russian enterprise Oboronaeksport is examining the possibility of exporting spare parts in exchange for Algerian goods.

Finally, I would like to say that it is necessary, in the current phase, to use all the possibilities and find suitable

forms to prevent an end to the economic, scientific, technical, and cultural cooperation between Russia and the Arab states.

Federation Affairs

Several Regions Closed to Foreign Visitors

LD0907141792 Moscow ITAR-TASS in English
1337 GMT 9 Jul 92

[Report by ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow July 9 TASS—The Russian Government has adopted a document prohibiting foreigners from visiting several regions and cities in the Russian Federation.

The list comprises 16 regions, including part of the Kamchatka Peninsula, the city of Komsomolsk-na-Amure, the island Russkiy in the Maritime region, several areas in the Moscow, Leningrad, Orenburg, Nizhny Novgorod, Arkhangelsk, Murmansk, Sverdlovsk, Chelyabinsk, Kaliningrad, Volgograd, Astrakhan and Krasnoyarsk regions, Mordovia and several other regions. [place names as received]

To visit them, foreigners will have to obtain permission either from the Russian Security Ministry or local security bodies.

Yeltsin Signs Decree on Status of Chukotka

PM0907153392 Moscow ROSSIYSKAYA GAZETA
in Russian 9 Jul 92 First Edition p 2

[Russian Law No 3056-1 "On the Chukotka Autonomous Okrug's Direct Membership of the Russian Federation," signed by Russian President B. Yeltsin and dated 17 June 1992, House of the Soviets, Moscow]

[Text] In accordance with Article 33 of the Russian Constitution and the decisions of the Chukotka Autonomous Okrug Soviet of People's Deputies, the Russian Supreme Soviet resolves:

1. That Chukotka Autonomous Okrug within its existing borders become a direct member of the Russian Federation.
2. That this law enter into force from the moment that it is published.

[Signed] Russian President B. Yeltsin

[Dated] House of the Soviets, Moscow, 17 June 1992

Yeltsin Decree Sets Up Kabardino-Balkar Mission

PM0907140592 Moscow ROSSIYSKAYA GAZETA
in Russian 6 Jul 92 First Edition p 1

[Unattributed and untitled report under the "News in Brief" rubric]

[Text] A decree by the Russian Federation president on cooperation between the supreme organs of executive power of the Russian Federation and the Kabardino-Balkar Republic has established a Permanent Mission of the Kabardino-Balkar Republic under the Russian Federation president.

Yeltsin Extends Security Secretary's Authority

OW0907184492 Moscow INTERFAX in English
1809 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] The President Boris Yeltsin asked the Russian Security council secretary, Yuriy Skokov, to supervise the realization of the council's decisions and presidential decrees on security issues and to coordinate the activities of the executive branch to implement decisions properly.

The decree signed by the President points out "special importance of providing security for individual, society and state". Besides, Boris Yeltsin, who is also the body's chairman, will accompany every council's decision with an adequate presidential decree or decision.

A source close to the Russian government says the extended authorities of the Security council secretary overlap those of the acting Prime-Minister Yegor Gaydar in the field of coordinating the executive branch. The source regards the step as conferring "special authorities" on Yuriy Skokov.

Yeltsin Health 'Acknowledged as Good'

LD0907133592 Moscow Mayak Radio Network
in Russian 1225 GMT 9 Jul 92

[Text] Responding to its readers' requests, the ARGUMENTY I FAKTY weekly reports on the state of health of Boris Yeltsin, president of Russia. The paper publishes medical findings obtained from the president's press service. Here is what the document contains: Because of the great pressure of work over the past few years, Yeltsin has indeed been unable to undergo regular medical checkups. Upon assuming the post of Russia's president, the political responsibility, the volume of work, and the physical pressure grew even more. It is in this context that Grigoryev, the president's physician, insisted that Yeltsin undergo a medical examination. It was conducted by a group of prominent Russian doctors. So much for the official text of the report on the results of the examination of President Yeltsin's state of health.

After an interval of five years, a preventative examination of the president's health was carried out. In all, the state of his health has been acknowledged as good.

He is worried by a feeling of being overworked and the moderate vascular reaction is commensurate with that. The frequency of the pulse, the small variations in arterial pressure, and the condition of the heart and of the major vessels are within the norm. No pathological symptoms have been found in the lungs. Clinical, X-ray,

and ultrasound examination of the kidneys, gastrointestinal tract, the liver, and the pancreatic gland and biochemical examination of the blood have failed to uncover pathological changes.

Physical exercise tests, including sports tests, have confirmed the patient's high stamina. Physical exercise, including cycling, tennis, swimming, and others have been recommended to improve the way Yeltsin feels and to maintain his high work capacity.

Defense Ministry Denies Media Ban on Lebed

PM0907201992 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 10 Jul 92 p 1

[Report by O. Tekhmenev: "Lebed Permitted To Speak"]

[Text] On 8 and 9 July various mass media carried a report that Major General A. Lebed, commander of the 14th Army stationed in Moldova, had been banned by the Russian Defense Ministry from giving interviews and from all contact with journalists. It is not that he is a bad general but he does sometimes say inopportune things.

At the Defense Ministry press center we were told that no restrictions have been placed on contacts between journalists and Maj. Gen. A. Lebed and that no one knows where this information, to put it mildly, came from and whose interests it serves.

We tried to call the 14th Army commander in Tiraspol but the line was constantly engaged. It is quite possible that Aleksandr Ivanovich was giving another interview....

Reformists' Forum Condemns Lebed Remarks

MK0907130992 Moscow KURANTY in Russian
8 Jul 92 p 2

[Unattributed report: "General Accused of Provocation"]

[Text] The participants in the Forum of Supporters of Reforms consider it dangerous and inadmissible when servicemen engage in politics. Precisely this was the step taken by General Lebed, commander of the Russian Federation's 14th Army stationed in Moldova. Right after the end of the talks between the presidents of Russia and Moldova he cast doubt on President Snegur's powers, called the Moldovan Government fascist, and threatened to use armed force. He thereby insulted not only Moldova but also the Russian Federation. All this can be called nothing but a political provocation.

The statement adopted by the forum participants emphasizes that only the president, the Foreign Ministry, and the Supreme Soviet of the Russian Federation are empowered to represent Russia's interests in any conflict. The army must be under the full control of the government.

We, the statement reads, favor the withdrawal from Moldova of the 14th Army as a destabilizing factor and, at the same time, we favor the creation of guarantees for the cessation of the armed conflict in the Dniester region. In order to separate the warring sides, we favor sending in an international peacekeeping force. Only political means can protect the interests of our compatriots, wherever they may live.

Spokesman Denies Rumors of Kozyrev's Resignation

LD1007100392 Moscow ITAR-TASS World Service
in Russian 0932 GMT 10 Jul 92

[By ITAR-TASS correspondent Aleksandr Surikov]

[Text] Helsinki, 10 Jul—Sergey Yastrzhembskiy, official spokesman for the Russian Foreign Ministry, has denied allegations published by "NEZAVISIMAYA GAZETA" today about a possible reshuffle in the leadership of the country's foreign policy department.

He told an ITAR-TASS correspondent in Helsinki: "The Russian Foreign Ministry was surprised to see the article. I can say that it has no real basis whatsoever. Everything written in it must be on the conscience of the so-called 'informed sources.' There has not been any question and there is no question about the minister's resignation. Andrey Kozyrev's presence in Helsinki is the best and the most convincing evidence that this is not true.

"On the other hand, the publication of the article is an illustration of the quality of the information used by 'NEZAVISIMAYA GAZETA.' As to the allegations regarding the resignation of First Deputy Minister Fedor Shelov-Kovedyayev, I do not rule out that what has served as a reason for the false rumors is the fact that he is now on vacation."

Stankevich Takes Issue With Kozyrev Credo

PM1007083792 Moscow IZVESTIYA in Russian
8 Jul 92 Morning Edition p 3

[Sergey Stankevich "Opinion": "Sergey Stankevich, Adviser to the Russian Federation President: So Far No One Has Managed To Exclude Force From the Political Arsenal"]

[Text] It is a good thing that Russian foreign policy is at last the object of authoritative public debate: The Russian parliament, the Russian vice president, and the foreign minister have joined in. It is a bad thing, however, that occasionally, instead of conducting a serious argument, the debaters end up fighting the caricatures they themselves have created and grappling with standard labels.

The interview with Andrey Kozyrev (IZVESTIYA No. 151) left me with the impression of an overly defensive reaction and a degree of agitation, which caused, in my view, a number of irritating inaccuracies.

The minister is hardly right to claim that the Foreign Ministry's current "moderate" line, the only one capable of "stopping Russia from coming to grief," is opposed by the "party of war"—a solid reactionary mass of "red-browns" and their myrmidons, who "invariably have only one answer—force."

Let me be so bold as to exclaim: "There is no such party!" If you leave aside the clinical cases (since only a madman would deliberately involve Russia in a war), the problem will be formulated differently: How, by what means is long-term stability, without war, to be achieved in Russia's relations with neighbors.

There are things amiss in our foreign policy even in the opinion of totally calm, thoughtful, and well-intentioned people.

Take the situation in the Dniester Region. The crisis there has developed over many months and has assumed the most acute forms. Russia's reaction has been invariably dilatory, weak, and often, in my view, wrong.

For instance, the CIS countries' Kiev statement on the Dniester Region is inexplicable from the viewpoint of Russia's interests. The Russian representatives agreed to all Moldova's unilateral demands (withdrawal of forces, disarming of the Dniester guard, restoration of the "legitimate organs of power"), without at the same time any guarantees of normal existence for the inhabitants of the Dniester Region, when Moldova is not even a legal member of the CIS.

All that this "moderate" line, giving one side a free hand, promises the people of the Dniester Region is graveyard stability.

The advisability of Russia's agreeing to a quadripartite formula for talks on the Dniester Region (with Romania, but without the people of the Dniester Region) gives rise to serious doubts. In the end the complex of problems we are dealing with is the collective legacy of the republics of the former USSR. And it is the heirs, in this case Moldova, Ukraine, and Russia, who should handle it. Romania's involvement in this process is a de facto recognition of its role and special responsibility for the events on Moldovan territory, which obviously plays into the hands of the advocates of Romania's absorption of Moldova. If this concession is not taken advantage of now, it could well, like Chekhov's gun, go off in the future [Reference to Chekhov maxim that any gun seen on stage during a performance of a play is bound to go off sometime before the end].

The involvement of external forces in the quest for a solution could be useful, but on a broader basis, on the basis of the CSCE.

All the accords and declarations about a peaceful settlement of the problems of the Dniester Region have been violated so far, since the present Moldovan leadership

has categorically rejected and continues to reject the only sensible solution, which proposes a federal structure for the republic.

It is a matter of regret that Russian has thus far not insisted on an examination of this, the main question (either by four or by two sides). Misinterpreting the obvious indecision and inconsistency of the Russian representatives, the Moldovan leadership opted for brute force. The carnage in Bendery was a tragedy on an international scale, and to describe it, delicately, as an "outrage" (!), to say that a full-scale military operation by the Moldovan army could have been a response to a routine gunfight is incorrect, to put it mildly.

Force will never take the place of diplomacy and law, of course, but it is very regrettable that no one has yet succeeded in excluding force completely from the arsenal of instruments of state policy. If the punitive operation in Bendery had not met with similarly forceful resistance, the diplomats would no longer have anything to agree on now. The Dniester Region would have been dismembered and crushed.

Thank God that did not happen. But is it possible, is it moral to condemn and vilify those who halted the carnage?

It is hard to see what is happening to us. They tell us there are 450,000 Russians living on the right bank of the Dniester, and we are immediately prepared to yield to the blackmail: Let them slaughter 150,000 on the left bank, if we do not intercede on their behalf perhaps the rest will be spared. Enough of that, Andrey Vladimirovich, arithmetic and arguments about who should be spared above all are surely inappropriate.

Indeed, the dilemma you pose can only be described as a polemical outrage: either "occupy the territory of the republic with troops" and "establish a grim regime of terror," or solve everything in a peaceful and civilized manner. Of course, Russia must tackle all the problems with all its neighbors in a peaceful and civilized manner. If our partners agree to and are prepared to act in that way.

But if our partners carry on with the ruthless carnage while holding amiable diplomatic conversations with us, and we agree to that kind of dialogue, we will very soon cease to be taken seriously, because with us anything goes. Russia's task is not to "bomb cities," but to halt very specific killings and convincingly demonstrate that the problems of ethnic minorities cannot be solved by bayonets and bullets and that Russia will not allow this. Only then will they negotiate with us properly. There is not a hint of the imperial in this. And if you look a little beyond that you can actually prevent a war. But if systematic killing is going on and diplomatic curbs are not working, then Russia is entitled—before international arbiters interfere—to apply unilateral sanctions.

Back in the seventies the world community adopted an important principle: Human rights are extraterritorial,

the systematic violation of human rights is not a "domestic matter," and interference in such cases is necessary and warranted. If, as in the Dniester Region case, there are signs of state terrorism, then there is all the more reason for not using sovereignty as a cover. Naturally, interference must be civilized and international.

I may be wrong, but in my opinion our diplomatic corps is not making enough effort to convey to foreign countries' leaders Russia's concern over the position of Russians in "nearby foreign parts." How else do you explain the deplorable fact that there has been no official reaction in two months to the Foreign Ministry memorandum on human rights violations in the Baltic countries? In Estonia an armed grouping, under state control, has declared war on the Russian military and "colonialists," that is, civilians—our spiritual compatriots. We, having received no official written explanation from the Estonian Government to our, as usual, tardy note, are continuing bilateral talks, in particular on economic links that are rather advantageous for Estonia. What prompted this strange Tolstoyism?

It is 18 months since Russia signed treaties with Estonia and Latvia, in which, in particular, the sides guaranteed civic equality for all ethnic groups. The Latvian and Estonian parliaments grossly violated these treaties and deprived 1.5 million Russian people of their basic rights. But Russia has hitherto not insisted on the inclusion of this item on the agenda for the bilateral talks with the Baltic republics' delegations. Where do "civilized methods" take priority here? How many years are we going to spend trying to get people to heed us and take account of our pain?

How was it that servicemen's families' interests were not taken into account when the agreement on the procedure for Estonia's withdrawal from the ruble zone was signed? Why were Russian services not ready to switch Estonia to a rigorous visa regime? After all, these problems had been known about in advance.

There are many questions of this kind. They are being posed not by the "party of war," but, rather, by the party of common sense, which is concerned about preserving Russia's dignity. Of course, behind all this you have the transient working problems which are inevitable in a major undertaking. They must be overcome quickly and effectively, because a buildup of such situations will do irreparable damage to long-term Russian interests.

Finally, I must mention patriotism. What inconceivable mental shift made us turn this word into a swearword and associate it directly with the image of a fascist degenerate? Is it not clear that only the selfless patriotic verve of millions can wrench Russia from the grips of a very serious ailment?

We must not be too eager to dispense with the word power [derzhava] either. Unlike empire, which presupposes concentrating the state's forces and resources on the tasks of foreign expansion, power means focusing on oneself, renouncing expansion, and mobilizing internal

forces and resources to bring about economic and cultural recovery, to bring about a peaceful and civilized breakthrough to the level of the great powers.

I have a distinct feeling that Russia will never again be an empire, but will be a power. Let us hope we will all be able to do as much as possible to bring this about.

Rutskoy Says Large-Scale Agrarian Reform Ready

LD0907163492 Moscow ITAR-TASS in English
1525 GMT 9 Jul 92

[By ITAR-TASS correspondent Petr Tsyrendorzhiev]

[Text] Moscow July 9 TASS—The programme of a large-scale agrarian reform is practically ready, Russian Vice-President Aleksandr Rutskoy told TASS on Thursday [9 July] after meeting heads of executive authority of republics, regions and territories within Russia.

The privatisation programme was also discussed at the meeting. Anatoliy Chubays, the privatisation supremo, said privatisation of small-scale ventures has begun and it is time to turn major enterprises into joint stock companies.

The government will soon sign a resolution on privatisation vouchers which will be given to each Russian citizen. Printing of the securities will begin in the near future, he said.

New Economic, Media Appointments Announced

LD0907130192 Moscow ITAR-TASS in English
1406 GMT 9 Jul 92

[Text] Moscow July 9 TASS—Petr Aven, Andrey Nechayev and Andrey Vavilov were appointed deputy chairmen of the governmental hard currency and economic commission which is headed by Aleksandr Shokhin, according to a governmental resolution received by TASS on Thursday [9 July].

Igor Malashenko was appointed first deputy chairman of the Ostankino TV Network, Valentin Rodionov became Russian deputy culture and tourism minister.

Deputy Security Minister Chosen

PM0907140992 Moscow ROSSIYSKAYA GAZETA
in Russian 6 Jul 92 First Edition p 1

[Unattributed and untitled report under the "News in Brief" rubric]

[Text] By order of the Russian Federation president Valeriy Aleksandrovich Timofeyev has been appointed Russian Federation deputy minister of security.

New Vice Premier Saltykov Interviewed

*PM0907112392 Moscow ROSSIYSKIYE VESTI
in Russian 4 Jul 92 p 2*

[Interview with Vice Premier Boris Saltykov by unnamed correspondent, place and date not given, under the "Government Personalities" rubric: "Vice Premier Boris Saltykov: 'Endless Work and Worries...'"]

[Text] [ROSSIYSKIYE VESTI] You have recently been appointed vice premier of the government by presidential decree. Was the appointment a surprise to you?

[Saltykov] The appointment wasn't the surprise. The surprise was the first suggestion of a considerable expansion of my range of duties.

[ROSSIYSKIYE VESTI] They have given you one of the most complex spheres—the social sphere. Are you aware of the weight of this burden yet?

[Saltykov] I have already met with representatives of youth movements and organizations and organizations concerned with the social protection of servicemen and invalids. We discussed the possibilities and ways of alleviating the most acute problems, both the inherited problems and the new ones....

[ROSSIYSKIYE VESTI] What does the term social justice mean to you?

[Saltykov] The healthy and talented should be allowed to realize their potential, the frail and helpless should be securely protected.

If the state can do that it means that it is a socially just state.

[ROSSIYSKIYE VESTI] What about privileges? Should they really be combatted?

[Saltykov] Those which we sometimes call "earned privileges" are a necessary condition of the efficient work of high-level state officials. In my view, we should struggle to ensure that no state property is appropriated and used for personal gain.

[ROSSIYSKIYE VESTI] What do you understand by the term the "culture of power"?

[Saltykov] There is the concept of the "technology of power." Without the culture of power the objective harshness of the technology of power could debase the dignity of those to whom that power is applied.

[ROSSIYSKIYE VESTI] What about social problems in your family? Do you tackle those successfully?

[Saltykov] We have the same problems as every family has today. They do not differ from the problems of a normal family with a level of well-being scarcely above the average by present-day standards.

[ROSSIYSKIYE VESTI] I know that you are a keen driver. Have you already planned a route for your summer vacation?

[Saltykov] I am afraid that there will be no vacation at all this year.

[ROSSIYSKIYE VESTI] You are making quite successful progress up the official ladder. Where will it end?

[Saltykov] The official ladder is certainly not a step-ladder, it is more like an escalator which draws you into the flow of problems and work. It seems that this work is never ending....

Government Approves Agrarian Reform Development

*LD0907174292 Moscow ITAR-TASS in English
1507 GMT 9 Jul 92*

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow July 9 TASS—A session of the board of the Russian Government chaired by Russian Acting Prime-Minister Yegor Gaydar approved the concept of the development of agrarian reform in Russia on Thursday [9 July].

The medium-term programme scheduled for the next three years is connected with an overall programme of deepening economic reforms in Russia, adopted by the Russian Government last week.

After a month's elaboration, the programme of the development of agrarian reform will be presented at a session of the Russian Government.

The participants noted the progress of the agrarian and land reform in Russia shows that all of its basic undertakings were approved by a majority of the population, as the reform takes into account the interest of people in private ownership of land and independent farming.

The main principles of the reform which have asserted themselves over the past year and a half were recognised as the main condition for preserving social peace in rural areas. These principles include: free transfer of land to Russian citizens within interregional norms, transfer of state and collective farms property to labour collectives and private individuals and others.

Nechayev Says Confrontation 'Inadmissible'

*OW0907131592 Moscow INTERFAX in English
1030 GMT 9 Jul 92*

[Transmitted via KYODO]

[Text] Commenting on the results of the Social Partnership Assembly held in Moscow on Wednesday [8 July], Russia's Economics Minister Andrey Nechayev has told Interfax that it is inadmissible for that alliance of trade unions and businessmen to confront the government. He emphasized that if that happened, there would be more

political pressure, often compelling the government to "adopt decisions, putting the economy at risk".

In Mr. Nechayev's opinion, in the near future, the cabinet may give trade unions new reasons for discontent, above all because of the bankruptcy decree. He questions the ability of unions and businessmen to realize in full the meaning of this law, aimed at liquidating insolvent businesses and stabilizing the economy.

In this situation, in the minister's view, the unions can help the government to "minimize the social costs of industrial restructuring and address aid to those who need it in society".

On the cash shortage problem, Mr. Nechayev said that it could partially be solved by returning to Russia the mass of rubles from the former USSR republics, adopting currencies of their own. He voiced hope that efforts would succeed in August "to boost the issue of cash" and thereby reduce its deficit. Mr. Nechayev disclosed that the design of a 5-thousand-ruble banknote has been endorsed for serial production, which gets under way.

Government Creates Foreign Exchange Commission

OW0907224092 Moscow INTERFAX in English
1750 GMT 9 Jul 92

[From "Trade & Investment"; transmitted via KYODO]

[Text] The Russian government has issued a ruling on transforming its Foreign Exchange and Economics Council into the Foreign Exchange and Economics Commission. The commission will be headed by Deputy Premier Aleksandr Shokhin.

The commission will have the following functions:

- analysis of the country's balance of payments situation;
- repayment of the country's internal foreign exchange debt and external debt;
- provision of government guarantees to foreign countries, the Central Bank, Vneshekonombank, the Foreign Trade Bank and other authorized banks with respect to repayment of foreign exchange loans;
- attraction of credits from foreign countries and multilateral financial organizations and provision of government credits to foreign countries and organizations;
- utilization of credits provided by foreign countries and multilateral financial organizations;
- consideration of proposals relating to large foreign investments in the Russian economy;
- development of unified standards of financial accounting for foreign exchange transactions on the basis of international standards;
- invitation of foreign experts in financial accounting for foreign exchange transactions;

- formulation of opinions on draft legislation and regulations relating to foreign exchange matters;

- expert evaluation of large projects financed by external credits;

- development of a strategy of cooperation between Russian agencies and multilateral financial organizations;

- monitoring Russia's foreign exchange relations with the rest of the Commonwealth.

The commission will set up an executive group headed by the Minister for External Economic Ties Petr Aven for addressing foreign exchange issues on a day-to-day basis. Government decisions with respect to foreign exchange matters will be taken after deliberations in the commission.

Experts attribute the transformation to the government's desire to have a more effective and fast-moving unit to tackle foreign exchange issues, as it gets ready to handle the large credits expected to be provided by the IMF.

Government Undertakes Large-Scale Privatization

OW0907223692 Moscow INTERFAX in English
1750 GMT 9 Jul 92

[From "Trade & Investment"; transmitted via KYODO]

[Text] A decree signed by President Yeltsin on July 1 (No. 721) instructs Russia's State Property Management Committee and similar regional committees to proceed with converting state-owned enterprises (excluding state farms), as well as closed stock companies with more than 50% state capital participation into open stock companies. The privatization effort is to be completed by November 1 1992. The decree recommends that the local authorities apply its provisions to municipal enterprises too.

Incorporation will not be carried out at enterprises whose privatization is prohibited by the State Privatization Program for 1992, at enterprises which—according to this program—are to be privatized in ways not involving the issuance of shares, and at joint ventures.

The "Regulations on the Commercialization of State Enterprises with Their Simultaneous Transformation into Open Stock Companies", which are attached to the decree, provide for mandatory incorporation of all enterprises which employ more than 1,000 people or whose fixed assets had a book value in excess of Rb50m [million rubles] as of January 1 1992, no matter what their affiliation is.

Smaller enterprises—employing more than 200 people or with fixed assets carried at between Rb10m and Rb50m on their balance sheets—are to be incorporated only if their employees decide in favor of it. Organizational units of state enterprises of the same size, which had a balance sheet of their own as of January 1 1992,

may be incorporated at the decision of their employees without prior transformation into independent state enterprises. The incorporation process is to comply with the requirements of Russia's law "On Competition and Restriction of Monopolistic Activities in Commodity Markets".

Joint-stock companies are to become successors to reorganized state enterprises. All shares in enterprises undergoing privatization are to be sold in accordance with Russia's legislation on privatization.

The state will be represented among the founders of joint-stock companies set up pursuant to the presidential decree by state property management committees. An annex to the decree contains a standard charter with which the charters of all new joint-stock companies should conform.

Incorporation is to be carried out by task groups created at every enterprise. Enterprise managers are made personally responsible for the incorporation effort.

Enterprises which form part of associations, amalgamations, concerns, etc. are to transform these associations, etc. into partnerships or open joint-stock companies by October 1 1992. This means that the host of part-commercial/part-administrative sectoral associations should unambiguously determine their status.

The decree recommends that federal, republican, provincial, regional, municipal and district property funds, which are to hold those shares in enterprises which belong to the state, should place these shares in trust with legal entities and individuals prior to their sale. If the state holds more than 50% of the shares in an enterprise, such transfer may only be carried out with the concurrence of the enterprise's employees.

The responsibilities of the chief executive officer of a joint-stock company are to be exercised by the manager of the enterprise undergoing privatization, with whom a standard employment contract is to be signed.

Presidential Office To Deal With Citizenship

OW0907132092 Moscow INTERFAX in English
1200 GMT 9 Jul 92

[From the "Diplomatic Panorama" feature; by "diplomatic correspondent" I. Porshnev and "others"; transmitted via KYODO]

[Text] Russian people's deputy and a member of Russia's Academy of Technological Sciences Abdulah Mikhtayev will lead the human rights commission formed under a decree signed by Russia's President.

In accordance with the decree the commission will also include the well-known opera singer Irina Arkhipova, Security Minister Viktor Barannikov, novelist Vladimir Voinovich, Interior Minister Viktor Yerin, Foreign Minister Andrey Kozyrev, Social Security Minister Ella Pamfilova, Minister of Justice Nikolay Fedorov as well

as a number of MPs [members of parliament] and public figures. Commission members will work gratuitously.

The commission will draft for Russia's President proposals connected with citizenship and with the granting of political asylum. Its tasks will also include "endeavours to ensure a unified state policy in the area of citizenship".

The commission will consider "within the area of its competence" requests for receiving or ending Russian Federation citizenship, for being granted political asylum, for acquiring dual citizenship. Besides, it will consider requests from institutions and organizations for granting them honorary citizenship.

Problems Facing Russian Navy Examined

LD0807173392 Moscow Russian Television Network
in Russian 1600 GMT 8 Jul 92

[From the "Vesti" newscast]

[Text] On 26 July the St. Andrew's flag will be raised on all Russian Navy ships instead of the former USSR navy flag. This was reported today at a news conference by Fleet Admiral Vladimir Chernavin. The Russian fleet, which will be 300 years old in 1996, is probably experiencing its most difficult time. Here are just a few figures.

This year the fleet received only a quarter of the whole sum required. Only 49 out of 100 conscripts are doing military service, and probably for the first time since the time of Peter [the Great, founder of the Russian Navy] construction will not start on a single naval vessel. And construction of half of the 130 vessels already begun will have to be frozen. Many questions have arisen in connection with the shipbuilding yards in Ukraine. Despite the fact that they do not only build vessels for the Black Sea Fleet, orders are constantly falling through. There are so many arguments over the Black Sea Fleet that the defense ministers have ceased to discuss this issue and handed it over for the presidents to examine. Admiral Chernavin probably has the same opinion on this as the majority of navy officers.

[Begin Chernavin recording] Any division of the fleet is almost the demise of the fleet, and if the division is incorrect then it is definitely the demise of the fleet. [end recording]

Despite all the difficulties of the situation, according to the CIS Navy commander in chief, the fleet lives on, is in a state of military readiness, and is under control.

'Big Money' Lures 'Mercenaries' From Hostels

MK0807124592 Moscow MOSKOVSKIY
KOMSOMOLET in Russian 7 Jul 92 p 1

[Report by unnamed correspondent under general heading "Stop Press" compiled by duty team Vika Sardykina, Tatyana Fedotkina, Vladimir Kartashkov,

Yelena Arbuzova, Boris Glebov, Maksim Kupinskiy, and others: "Recruiters in Student Hostels"]

[Text] As has become known to a MOSKOVSKIY KOMSOMOLETS correspondent, certain citizens have started turning up in Moscow's student hostels attempting to recruit students to semilegal formations in hot spots of the former USSR.

The nationality of a student is of no particular significance and the "customers" are interested most of all in the student's military past and level of physical fitness. Moreover, and this is interesting, the recruiters do not approach just anyone but offer "work" only to those who have done service in the paratroops or who have already had combat experience. From where the mysterious intermediaries learn the details of the past career of the students they are interested in remains an enigma.

An interesting reply was given to the question put by the newspaper's correspondent to one of the students who had been approached by a "customer" as to whether he was capable, even for money, of going off somewhere to kill. The answer: "Everything that money can't buy, can be bought by big money!"

Defense Enterprise Wins Contract for Conversion

OW0907224192 Moscow INTERFAX in English
1752 GMT 9 Jul 92

[From "Trade & Investment"; transmitted via KYODO]

[Text] The Russian government has appointed the defense enterprise Kalugapribor as the prime contractor of the conversion program Svyaz ("Communications"). The program has been drawn up by the Industry Ministry, the administration of the Kaluga Region and Kalugapribor, and has received approval of Russia's Communications Ministry.

Under the program, Kalugapribor is to launch production of a new generation of automatic telephone exchanges code-named EATS-TsA in 1994. By 1996, the enterprise is expected to annually manufacture telephone exchanges with an overall capacity of 1m numbers. (By comparison, only 130,000 new customers were connected to the telephone network in Russia last year.)

Until Kalugapribor is capable of launching commercial production of telephone exchanges, it will be able to use a targeted credit line for extension and reconstruction. The Ministry of Trade and Material Resources has been instructed to provide the necessary resources on a contractual basis.

The conversion effort will also use foreign credits for imports of process equipment, materials and components. Instructions to this effect has been given to the Trade Ministry and Russia's Foreign Trade Bank.

The government's Foreign Exchange and Economics Commission has been instructed to consider the matter of guarantees for the external credits provided to and

repayable by the enterprise. Kalugapribor has been permitted to use half of its foreign exchange revenues from the export of military hardware for reconstruction and retooling of production capacity and for repaying the external credit.

Naval Shipyard Given Go-Ahead To Privatize

PM0807153992 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1400 GMT 7 Jul 92

[Video report by V. Batalov and V. Zhuravlev; from the "Novosti" newscast]

[Text] [Video shows ship in dock] [Batalov] The "Severnaya Verf" Shipyard is the first defense-complex enterprise where the collective has been given the go-ahead for privatization by the Russian Government. This long-established shipbuilding firm, now owned by its collective, has adopted a policy of building bulk carriers and ro-ro [roll on and roll off] vessels. But, at the same time, it has not given up meeting military orders. Until recently these accounted for around 80 percent of its work. Now the balance has shifted in favor of civilian production. [video shows Yu.L. Bokov, director of the "Severnaya Verf" Shipyard]

[Bokov] Implementing privatization is going to be fairly difficult in the context of conversion. But we are going ahead, mindful that we can only solve today's problems if the whole collective pulls together. [video shows shipyard]

Exhibition Displays Electronic Security Devices

PM0907145592 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 7 Jul 92

[Video report by A. Barkhatov and V. Chechelnitskiy; from the "Novosti" newscast]

[Text] [Video starts with announcer followed by shot of map of Russia] [Announcer] An exhibition of electronic equipment used for protecting information opened today at the "Avtomatika" Science and Production Association—one of Russia's largest defense enterprises.

[Barkhatov] The lack of a unified information-protection system used to be offset, as we all know, by one factor—one-fifth of the entire USSR was considered secret. Nowadays such secret areas account for just 1.5 percent of Russian territory. But, since we're not entirely wet behind the ears and aren't going to sell off all our national secrets or clear away the barbed wire, we simply have to find a civilized—electronic—substitute. And we haven't forgotten about businessmen, who set such high store by their commercial secrets—be it a question of a

firm's computer network, a mobile phone call, or space-based communications. So the exhibition at the top-secret "Avtomatika" Science and Production Association is a very noteworthy event. [video shows Yu.A. Yashin, acting chairman of the Russian State Technical Commission]

[Yashin] How did Japan and Germany manage to grow so quickly and dynamically with a high level of technology? Some people say: because they weren't making weapons. Nothing of the sort! They have been making weapons and will continue to do so in our still-troubled world. But they make dual use of the technology—in the interests of both the economy and the military. That's what conversion is all about.

[Barkhatov] Both experienced businessmen and novices should know one or two other things. Such as the details of the inside of a perfectly normal office or department. Take these fire alarms. They're all microphones of a sort which, using fairly straightforward equipment, can transmit a sound signal—in other words, your business secrets. [video shows exhibition, equipment, including printed description of "'Sigma' single-channel terminal"]

Spring Draft Proceeding 'According to Plan'

*PM1007103092 Moscow KRASNAYA ZVEZDA
in Russian 9 Jul 92 p 1*

[Report by correspondent Lieutenant Colonel I. Sergeyev: "The Draft Is Apparently Going According to Plan. But That Does Not Make Things Any Easier for the Russian Army"]

[Text] As is well known, a Russian law on military obligation and military service has not yet been adopted. Therefore the military commissariats, in organizing and implementing the spring draft, were guided by legislative acts of the former USSR. Especially the Law "On Compulsory Military Service," which was adopted 25 years ago.

However, the Main Organizational and Mobilization Directorate of the Russian Federation Armed Forces General Staff told us: On the whole the draft is proceeding systematically and according to plan. As of today, some 70 percent of the required number of new recruits have been dispatched to the troops and fleets. By the end of July the manning of units, ships' crews, and formations with young recruits will be complete. Although in the course of the present draft it will hardly prove possible totally to eliminate the shortage of manpower in units and formations of the Russian Armed Forces. In the opinion of the Main Organizational and Mobilization Directorate spokesmen, things are not so good with the draft in the North Caucasus region. This is confirmed by reports from Colonel A. Borovkov, our permanent correspondent for the North Caucasus Military District. This, for instance, is what Colonel V. Voropayev, military commander of North Ossetia, told him:

"About 40 percent of young men subject to the draft are failing to present themselves at the republic's military commissariats. The reasons are these: the instability of the military-political situation in the region, the absence of a clear legal basis for the military draft, and the fact that deserters and 'draft dodgers' escape with impunity, which leads people astray. Thus in the fall of last year 285 people evaded service in the republic. In the spring this phenomenon took on an even greater scale. By all appearances, only 30 percent of North Ossetia's conscripts will put on a soldier's uniform this time."

Things are no better with the draft in the eastern region of Russia. As Major A. Davidiyuk, our permanent correspondent for the Transbaykal Military District, reports, the latest draft is verging on the disastrous in Yakutia. According to the republic's military commissar Colonel I. Yukhrimenko, some 1,300 people have evaded the draft in the republic. More than 1,000 of these are inhabitants of the capital, Yakutsk. Meanwhile the parents' committees which have been formed in the republic, in Vilyuyskiy, Suntarskiy, Zhiganskiy, and certain other rayons, have put forward demands to suspend the draft entirely and grant deferments to young men who are representatives of small peoples, orphans, and eldest sons of large families at remote nomad camps.

Colonel General V. Tretyakov, commander of the Transbaykal Military District, flew to Yakutsk to defuse the situation. He met with M. Nikolayev, president of the Republic of Sakha (Yakutia). The commander also took part in a meeting between military men and representatives of the public, the prosecutor's office, and the militia. An agreement was reached that one in three conscripts will not go out of his native republic to serve, and that from the fall of this year the young recruits will only be sent to the troops of the Transbaykal Military District. A compromise was also found on other questions relating to the drafting of young men into the army.

The well-known claim that the problem of the draft is not only a matter for the military commissariats, but the cause of the whole people, was reflected in the assistance given by the St. Petersburg city authorities in implementing the draft campaign. The other day at a news conference at the Petersburg Soviet its chairman, Aleksandr Belyayev, made an official statement that fines are to be introduced for draft dodgers (of between two and 20 times the minimum wage).

Our turbulent times are generating new, totally unexpected controversies over the drafting of young people into active military service. Thus in accordance with a Moscow Government decision the creation of the Moscow External University of Humanities was registered last November at the Moscow Registration Chamber, with the status of a limited partnership. Professor N. Khaladzhani, rector of the newly formed university, believes that the students of his educational establishment are entitled to a draft deferment. But Moscow Oblast Military Commissar Major General Yu.

Chayko is convinced of the opposite: "Alternative education is not enshrined in Russia's law. Deferment of drafting into active military service for the purpose of continuing education is granted only to students at state VUZs [higher educational establishments]." While this dispute is being resolved by the Moscow Garrison Prosecutor's Office and the rayon military commissariats of Moscow City, young men studying at the Moscow External University of Humanities are in a highly ambivalent position.

The state of affairs with manpower acquisition for the Russian Armed Forces could have been remedied to some extent through "contract" personnel, but the "Regulations on Military Service Under Contract in the Posts of Soldiers, Seamen, Sergeants, and Warrant Officers" is still being considered by the Russian Government, and most likely we will not be able to count on people voluntarily going to serve in the Russian Army until the fall draft.

In the meantime, according to the Main Organizational and Mobilization Directorate's predictions, the number of "draft dodgers" and "refuseniks" this year will be higher than last, although, as our newspaper has reported repeatedly, in accordance with the established procedure conscripts can only be sent to regions of interethnic conflicts voluntarily and with their parents' consent.

The course of the draft was undoubtedly influenced by the demographic situation in Russia. A particularly difficult situation has arisen in the major cities. Suffice it to say, for instance, that in Moscow only 10-12 out of every 100 young men who have reached the draft age are drafted. All the rest are granted deferments, on legitimate grounds.

But a good many people are exempted from military service for good, so to speak, and this is happening because of the general deterioration in the health of draftees. In the last two years the number of illnesses preventing drafting has increased by 40 percent. According to figures from the Main Military Medical Directorate, a significant increase has been observed in diseases of the nervous system (more than 72 percent), the respiratory and auditory organs (more than 57 percent), and the internal organs (51 percent). In all, from 1991 one in five draftees has not been drafted for reasons of health, whereas in 1989 the figure was only one in 10. It cannot be described as a gratifying trend. And unless rapid and effective measures are adopted to improve therapeutic and fitness work among young people approaching draft age, the Russian Army will become sick in the literal sense of the word.

Tighter Controls on Commercial Secrets Urged

MK0907121592 Moscow MOSKOVSKAYA PRAVDA in Russian 8 Jul 92 p 3

[Leonid Kostrov report under the "Commercial Information" rubric on page 1 of BIRZHEVAYA GAZETA weekly economic review: "It Is Worth More and Is Easier To Steal"]

[Text] "Today it is far easier, more profitable, and safer to steal someone else's information than to steal using sacks and railcars," Nikolay Brusnitsyn, deputy chief of Russia's State Technical Commission, believes. "I hope that the situation will change with the creation of Russia's 'Bezopasnost' comprehensive information protection center, but the leak of information has now become a veritable 'divine scourge' for very diverse organizations, and for commercial ones above all."

...Since the moment of its birth the State Technical Commission—formerly all-Union but now Russian—has engaged in preventing the leak of secret information, acting, in principle, as technical counterintelligence counteracting spy satellites and all sorts of locators and devices capable of tapping into lines of communication, even including underwater cables reliably protected by armor. This organization has built up a collection of lots of all kinds of devices used by various countries' secret services, and eight of them were discovered in 1991 alone. Of course, right up until recently the State Technical Commission was preventing the leak of information "to the West" or "to the East," but it is now having to take on new, internal functions.

"Information that constitutes a state secret is increasingly frequently giving way to information that constitutes a commercial secret," Nikolay Aleksandrovich said. "Economic espionage on the territory of the former USSR is gathering momentum day by day, and increasingly sophisticated technical facilities are appearing in the arsenal of home-bred information hunters. The leak of information is being promoted by, to put it mildly, the negligence shown in their activity by employees of a number of organizations. As a result, they suffer sizable losses, perhaps not even being aware of this themselves."

[Kostrov] As much as five years ago the requirements of the State Technical Commission relating to information protection were binding on the leaders of all enterprises. With the emergence of commercial structures and the development of the nonstate sector of the economy you can only recommend, but not order. Do many businessmen turn to you for good advice?

[Brusnitsyn] Unfortunately, few do. You get the impression that far from all entrepreneurs have realized yet that information is a very expensive commodity, and it must be protected above all.

[Kostrov] And yet a number of major commercial structures already have their own services for combating economic espionage...

[Brusnitsyn] Yes, and our former employees frequently work for them, as do specialists in information protection who have moved to there from the KGB, the Ministry of Internal Affairs, and the army. But a unified Russian system is needed.

It would not be a bad thing to turn to U.S. experience here. In January 1988 a U.S. presidential directive introduced a special operational security program, which

extends to all government departments, private firms, and corporations. Of course, it has cost the Americans a "pretty penny," but it has made it possible to save far larger amounts and, in the final analysis, to preserve national prestige on the world market.

It is, in point of fact, a question of a security service for the country's economy. Its experts assess the activity of enterprises and firms and decide what should be considered secret information and how to prevent its leak. I will not speak for long about this service's activity but will merely say that the Interdepartmental Operational Security Staff unites representatives of the Departments of Defense and Energy, the CIA, the FBI, and the General Services Administration.

[Kostrov] OK, the Americans have outstripped us in the sphere of keeping commercial secrets. But probably not only because of equipment and technology but also because of legal norms?

[Brusnitsyn] The very concept of information still does not exist in our law. Just as there are no laws on copyright protection. Even the article in the Criminal Code which provides for severe penalties for revealing state secrets does not stand up to serious legal criticism. If the concept of information does not exist, how is it possible to steal, sell, or wheedle it out? What does possession of information mean? The definite degree of certain confusion in this matter has resulted in the fact that proceedings have not yet been instituted against anyone for divulging a commercial secret, although losses are estimated at sums containing many zeroes. So, at present industrial spies feel very free, and even if they are caught it is virtually impossible to institute proceedings against them. What has he stolen: a diskette from a computer? A photocopy of a document? Proceeding from the legal norms in effect at present, this is the only charge that can be brought.

[Kostrov] So, do we have to wait for the emergence of a code of laws on commercial secrets and information?

[Brusnitsyn] This waiting will result in considerable losses. If there is no possibility of protecting ourselves with legal norms and the letter of the law, we must use technical means and information protection methods. There is enough work here for more than a year or two, but let every entrepreneur decide for himself how much his commercial secrets are worth and how much he is prepared to pay to keep them safe.

More Details of Security Ministry Dismissals

PM0907111392 Moscow KRSNAYA ZVEZDA
in Russian 2 Jul 92 p 4

[Letter from reader followed by KRSNAYA ZVEZDA reply under the rubric "Briefing for Readers": "Security Organ Generals Dismissed. But What For?"]

[Text] In June the mass media reported somewhat obscurely that a group of generals of the security organs,

headed by Major General Viktor Klishin, chief of the Russian Ministry of Security Counterintelligence Directorate, had been found guilty of corruption by a parliamentary commission working in the ministry. It would be interesting to know more precise details of this.

[Signed] A. Novikov, St. Petersburg.

It was explained to us at the Russian Ministry of Security Public Relations Center that there was no parliamentary commission in the Ministry of Security; it was a commission set up on the minister's orders that worked in the ministry. It uncovered incidents not of corruption, but of abuse of office.

Generals Vladimir (not Viktor) Klishin, V. Lisin, and F. Myasnikov, Colonel V. Parikozhko, Lieutenant Colonel V. Bukhanist, and several other officers committed violations in the allocation of service apartments to officials and relatives of leading employees, received valuables at knockdown prices, and abused their official positions. They have been either dismissed from the service, or removed from their posts by order of the Russian minister of security.

Economic Ties Minister Aven on Draft Reform

LD0907213292 Moscow Radio Moscow World Service
in English 1810 GMT 9 Jul 92

[Text] The Russian Government has submitted to parliament a draft program for promoting the economic reform. Debates have revealed different views about the draft by the MPs [members of parliament]. It is said at the same time that the Russian president Boris Yeltsin intends to adjust appreciably the direction of the reform. Our reporter has asked for comment on these facts the Russian minister for foreign economic ties Petr Aven. His first question was this: Is it true that President Yeltsin severely criticized at the cabinet meeting the program of the second stage of the economic reform offered by the team of Acting Premier Yegor Gaidar?

[Aven in Russian fading into English report] This is totally untrue. The president simply asked many questions and made some corrections, though not in the essence of the program, but only in its wording, pointing out that some of the clauses were insufficiently worked out. His was quite a workmanlike and constructive statement not intended to be obstructive at all. Any change of course is out of the question. On the contrary, all the remarks the president made were directed to my mind at making this course clearer and more to the point. Economists prepared the draft and so it was strictly economic.

As for President Yeltsin, he did not change its essence but wanted to give it a political message. For example, he proposed putting down in the draft that the final aim is to stabilize and raise output. This doesn't cancel the need for financial stabilization as the instrument for stabilizing output.

[Announcer] The opposition has accused the leadership of Russia of being led astray by the International Monetary Fund. Can you say anything about your working relationship with the IMF?

[Aven] We have no differences in principle with the IMF, where, after all, they are skilled specialists who know well the basic economic science. It's very gratifying and pleasant to work with them. Yet we know some things better than they do. So it took them some time to get their bearings in our economy. For example, they absolutely don't understand our current payments crisis, though we do know its roots very well. And so for several months we had to explain to the IMF experts what is happening in our economy.

[Announcer] Another stage in the reform began on the first of this month. How will that affect ordinary citizens?

[Aven] There is no need to exaggerate the revolutionary nature of our measures, which are a natural extension to the reform process. A single exchange rate of the ruble has been introduced which should stimulate the development of the hard currency market here. After all, the troubles with the ruble (?are now) over. The ruble is certain to become stable in relation to the dollar. This should make the foreign trade and the foreign business here easier. Sweeping privatization of large industrial facilities turning them into private companies will begin. Other measures will follow. But all this proceeds gradually with little changing for the ordinary citizen.

'Special Licenses' Needed for Raw Materials

PM0907152592 Moscow ROSSIYSKIYE VESTI
in Russian 9 Jul 92 p 1

[IMA-PRESS report under the "News" rubric: "Creditors Still Waiting..."]

[Text] Foreign Economic Relations Minister Petr Aven has announced that Russia is earning 80 percent of its income from foreign economic activity by exporting oil and oil products. According to him, switching to a new system of regulating foreign trade and new export tariffs are the only measures that can prevent a clearance sale of raw material resources on the cheap. The minister announced that the government intends to introduce measures to centralize the export of raw materials, whereupon only firms with special licenses will have the right to sell raw materials abroad. Under an agreement at the present time, Russia is giving its creditors only about 15 percent of what it is supposed to pay in foreign debt.

Jan-May Foreign Trade Figures Published

PM0607121592 Moscow ROSSIYSKAYA GAZETA
in Russian 3 Jul 92 First Edition p 3

[Unattributed report based on Russian Federation Statistics Committee figures for January through May: "Foreign Trade 1992"]

[Text] Russia's exports for the first five months of the year were \$12.4 billion. By comparison with the same period last year they declined 30 percent. Deliveries of oil abroad declined 21 percent, gas deliveries declined 5 percent, and coal deliveries 6.6 percent. Exports of machinery, equipment and transport facilities, treated timber, and newsprint have been halved.

Imports in January through May were \$12.4 billion. Compared with the same period last year they have declined 18 percent. Over this time, purchases of freshly frozen meat have declined 36 percent, purchases of poultry 31 percent, of tea 43 percent, of sugar, including raw sugar, 27 percent, of cotton textiles 68 percent, of knitwear 39 percent, textile articles 32 percent, and leather shoes 18 percent. Imports of grain, on the other hand, have increased 67 percent and imports of medical supplies 2 percent.

Russia's foreign trade balance was positive and was \$22.7 million (in January through May 1991 it was \$26.72 million). The European countries accounted for 69 percent of Russia's foreign trade turnover, the Asian countries accounted for 17 percent, the African countries for 3 percent, the American countries for 11 percent, and Australia and Oceania for 0.1 percent. Turnover with the industrially developed European countries was \$12,313 million, including \$1,158 million with CSFR, \$965 million with Poland, \$901 million with Hungary, and \$629 million with Bulgaria. Their share in Russia's trade turnover was 21 percent, as against 28 percent last year. Turnover with Cuba declined by a factor of 2.5, with imports totalling \$256 million (declining by a factor of 2.6). Purchases of its main commodities—raw sugar and citrus fruits—declined.

Over this time joint ventures produced output worth 33 billion rubles. They exported goods and services worth \$548 million and imported goods and services worth \$300 million. About 80 percent of the currency funds which came in in January through April were for enterprises and organizations of Irkutsk, Tyumen, Samara, and Saratov oblasts, the republics of Bashkortostan, Sakha (Yakutia), Tatarstan, and Moscow.

Russia's foreign debts as of 1 April 1992 were \$59.1 billion, its additional interest for the remaining period of the credits was \$14.4 billion, and deferred payments for imports were \$4.4 billion. In addition debts under lend lease were \$0.8 billion, debts to the former socialist countries were \$33.7 billion, and debts under clearing and barter deals \$5.9 billion.

Presidential Auditors Investigate Trade Officials

OW0607182792 Moscow INTERFAX in English
1517 GMT 6 Jul 92

[From "Presidential Bulletin"; prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; following item transmitted via KYODO]

[Text] As has already been reported, on July 2 Boris Yeltsin signed a decree dismissing Aleksandr Khlystov as chairman of the Trade Committee. The decree also instructed the government to decide on the dismissal of Victor Kozlov and Vadim Tikhonov, two deputy chiefs of departments at the Trade and Materials Resources Ministry. Details are provided by the president's auditing administration.

The document signed by the Russian Federation chief state inspector says, specifically, that Kozlov, in breach of law on competition and the restriction of monopoly activities on commodity markets had agreed to head the board of the Joint Venture [JV] Rosintech. The audit indicated that the enterprise was not actually a joint venture and was only nominally a joint venture with connivance of the deputy chairman of the trade committee. The auditing administration uncovered that the chief engineer in the JV was his wife who had the right to sign banking documents, which "lead to deliberate breaches of financial discipline: accounting records were falsified, profits were hidden, and taxes were evaded." For example, the hard currency was converted into rubles at last year's low rate of exchange. Over a short period of time, "at Kozlov's connivance 2645.5 thou. [thousand] rubles in profits were not reported, 1188.3 thou. rubles in the profit tax, and 353.8 thou. rubles in a VAT [value-added tax]."

According to the document, Kozlov, "abusing his powers of office and those of Trade Committee chairman A.F. Khlystov's, used foreign business travel for personal aggrandizement. For example, on two business trips to India and Spain alone, Kozlov misappropriated 11240 USD, or more than 1.3 mn. [million] rubles by commercial exchange rate." To get permission from Khlystov for an 8-day business trip, Kozlov used a telex from Spain that requested for the Spanish to come to Moscow for the inauguration of a store together with the JV Rosintech. Kozlov said it was an invitation to visit Spain's Basque Province.

Such episodes are legion in materials on Vadim Tumanov (also Khlystov's friend) who occupied both a state position and the post of a chairman of the board of the Russian-Swiss JV Sadko.

Energy Blueprint Envisages Effective Measures

LD050703392 Moscow ITAR-TASS World Service
in Russian 0904 GMT 3 Jul 92

[By ITAR-TASS correspondent Igor Ivantsov]

[Text] Moscow, 3 Jul—A new blueprint for energy policy in contemporary economic circumstances, drafted and presented to the Russian Government by a group of specialists headed by Aleksey Makarov, director of the Institute of Energy Research and corresponding member of the Russian Academy of Sciences, envisages a system of effective measures to lead the fuel industries and power engineering out of crisis.

It is assumed, Makarov said, that all the necessary legislative, economic, and organizational foundations for the development of the energy sector in the new stage will be created during 1993-1997. During this period consumption of energy resources in Russia will be lower than during 1988-1991. It is intended that earnings from the export of fuel and electricity should be used to service the foreign debt and IMF loans.

During the second stage, as he termed it, it is intended to channel efforts into the intensification of energy savings. As a result the energy intensity of the gross social product will be reduced by 20-25 percent compared with 1990. Thanks to a range of measures it is hoped to surmount the decline in output of resources by 1995-1996 and to stabilize recovery and production by the end of the century. Oil production, for instance, will be in the region of 330-400 million tonnes per annum and coal production 355-375 million tonnes per annum. By 1996-1998 electricity production should be restored to the level of 1990, and subsequently increased to 1.2 trillion kilowatt hours.

As a result, Makarov said, the level of production of energy resources will make it possible to halt the fall in fuel exports to the CIS states by 1995-1997. It is envisaged that they will stabilize at 225-250 million tonnes annually. This, he believes, will create favorable conditions for interregional economic integration both in Russia itself and in the Commonwealth countries.

Prices To Be Released in Phases

LD0407114592 Moscow ITAR-TASS in English
0807 GMT 3 Jul 92

[By ITAR-TASS correspondent Igor Ivantsov]

[Text] Moscow July 3 TASS—Prices for energy resources in Russia will be released from state control by phases and the state will regulate them by means of taxes, including rent payments. Gradually the prices will reach the world level, Aleksey Makarov, director of the Energy Research Institute, told TASS on Friday [3 July] commenting on an energy programme for 1993-1997 submitted to the Government.

In the four years it is planned to create all the necessary legal, economic and organisational preconditions for the future development of energy producing industries. During the period Russia will consume less resources than in 1988-91. Proceeds from fuel and electric power export will be used to pay for the foreign debt and IMF credits, Makarov said.

Energy saving measures will be paid great attention to. 20-25 per cent less of energy resources will be used to produce the GNP [Gross National Product] compared to 1990. The slump in the industry is expected to stop in 1995-96 and production will stabilise by the end of the century. Thus, the production of oil is planned to reach 330-400 million tonnes, of coal—355-375 million tonnes a year. The production of electric power should reach the

1990 level in 1996-98 and will grow to 1,200 billions of KWH [kilowatt hours], according to Makarov.

By 1995-97 it will become possible to stabilise the export of energy resources to the Commonwealth states at a level of 225-250 million tonnes a year, he added.

Shcherbakov Discusses Privatization Efforts

OW1007080392 Moscow Central Television First Program and Orbita Networks in Russian 1845 GMT 24 Jun 92

[Interview with Vladimir Ivanovich Shcherbakov, president of the International Fund for Promoting Privatization and Foreign Investments by Sergey Lomakin; from the "Utro" program—live]

[Text] [Lomakin] Now I would like, with pleasure, to introduce a guest to our program, Vladimir Ivanovich Shcherbakov, president of the International Fund for Promoting Privatization and Foreign Investments. Now we tend to consider that privatization has somehow gotten underway in the country, just a little, in the CIS republics and in Russia in particular. Investment can be expected to start soon. The annual meeting of the members of this fund will be held on the 26th—tomorrow. Now, Vladimir Ivanovich, I would like you to tell us first of all—very briefly—who are the members of this fund? How strong are its members?

[Shcherbakov] In fact our fund has been in existence only a year or possibly a bit less. It really is an international fund, insofar as in principle the Ukraine and Russia have been united in it, making it an international fund. We were formed by very powerful financial institutions in the West, primarily investment and commercial banks. For example the Rothschild Bank and the UBS Bank, or the United Bank of Switzerland, which are number one banks. Also included are the Deutsche Bank, the Dresdener Bank, Credit (Enstalle), Bankers Trust Company, and a number of others, altogether, some 20 serious financial institutions. In addition there is the International Fund for the Survival and Development of Mankind, the Austrian Nordex company, and the International Center for Social and Labor Issues.

On our side—I would say the former Soviet side because many of the former 15 republics are participants—are major banks, practically all the major commercial banks, and large production facilities. We are particularly interested in having these members, particularly the production institutions. So at this first annual meeting we will try to sum up the results.

Now of course interest in our work is very great. For instance the President of the Siemens Company, Mr. (August), and the President of the Rothschild Bank (Mr. Pirey) are visiting for the first time. Members of our observer council are arriving specially for our annual meeting. We hope that we will have a serious discussion and analysis.

[Lomakin] Very good, Vladimir Ivanovich. Now you mentioned some preliminary results. I personally know that there have been some results and we will talk about them in a moment. But first of all I would like to begin by saying that for a very, very long time we have been talking a lot about privatization. The Union government talked about it and the Russian Government, both the old and the new one, talked about it. We talk about privatization all the time, about various plans and ways for privatization. Now has anything practical been done in the sphere of privatization? I do not mean privatized hair dressing salons or bakeries. Has anything serious been done or not?

[Shcherbakov] Well, generally, some successes in privatization have been achieved, more or less, only in those areas where the privatization of the system of distribution is concerned—stores, clothes shops, agricultural supply depots and so forth. This is very beneficial and undoubtedly it is necessary, but we should firmly understand that this does not add practically any goods to the sales counter nor does it create any new manufacturers. So when we were formulating the philosophy of our fund we proceeded from the premise that we need to privatize major manufacturing facilities and that herein lies the basis of success, this will permit stabilization of the economy and lead to a stable state policy. So, if we take Russian law, we are working in the third level of enterprises, enterprises with more than 10,000 employees and capital of more than 200 million [rubles].

It is hard to talk about all the problems that we have. For instance, during the first half of the year we completed some 40 privatization projects, very large ones. Take for example the Ust-Kamenogorsk Lead and Zinc Combine. It accounted for 75 percent of lead and zinc output in the former USSR. I will not list the others. In June-July we will complete the privatization of the Bogoslovskiy Aluminum Combine. We are finalizing the St. Petersburg Russkiy Dizel project. These are all enormous enterprises and the projects are not simple.

You know, if we stop simply talking, if we begin handling projects we...[changes thought] today there are about 100 to 150 people who are engaged exclusively with this work and by the end of this year they plan to privatize enterprises with a total of some two million people.

[Lomakin] In other words, two million people can in reality become property owners [sobstvennik] by the end of the year?

[Shcherbakov] Yes, in reality.

[Lomakin] And will they be different people? It is simply very important for me to know, will the worker on the machine tool or the general director of an enterprise become an owner? Will everyone in this whole structure become owners?

[Shcherbakov] Yes. Of course we acted according to the law in every country we visited—Kazakhstan, Byelarus, and Russia. According to the law, everybody becomes an

owner. Fairly large packages of shares remain. Now the rules for how they are distributed internally are different. They are independently worked out by the labor collectives. Our task is to help them fulfill this project.

[Lomakin] You know, when people talk about privatization they always have mixed feelings about it—I mean those in enterprises who are taking part in this process. There is the threat of retrenchment, of a decrease in numbers when an enterprise is being privatized. How do you view this problem? After all, the threat of unemployment is a most dire one, and privatization is proceeding side by side with unemployment.

[Shcherbakov] This threat has not been manifested in real life at any one of our projects, because the threat of unemployment arises not as a result of having too many unnecessary people at production enterprises, but as a result of there being no work for people to do. Today for instance the volume of output in industry has dropped some 30 percent as compared to 1989-1990. In some cases this figure is even higher. People have nothing to work with. There are no materials, there is no power, and there are problems with assemblies and marketing of output.

So this is where the threat of unemployment lies. When we privatize enterprises the opposite occurs. The stimulus and motive to work simply grow. Of course certain people are often released, but they were previously a nuisance. There have been no mass reductions in workers.

[Lomakin] Another question—please do not consider it too direct—but presently many entrepreneurs and industrialists have become enamored with politics. I do not know, but I think this is a general misfortune. They establish parties one after another. What is your attitude to this, and are you involved in any parties? [laughs]

[Shcherbakov] No. Frankly speaking, we selected our entire group on the principle that we are not interested in the political views of people who work here, and we have quite a few people here already. We have some 50 companies throughout the territory of the former USSR—with the exception of the Baltic countries and also Georgia—with some 1000 people. We have never worried about the problem of who believes what because everybody works and we have no time to discuss these problems.

But you know, I think the most important thing today is to promote the slogan of not simply converting military production. We think it is time to propose the slogan of conversion of political relations within the country, and within Russia in particular. When everyone gets busy with the task in hand it turns out that agreement can always be reached.

You know, it seems surprising, but you remember how many discussions there were about the state program and the law on privatization. It is impossible to find a solution because every deputy, every member of the

government, and every expert has his own idea of social justice; all have centered their attention on dividing things up [delezhka]. Yet when you draw up a specific project, then it turns out that even within the framework of this imperfect and poor legislation it is possible to find a solution. I would like to make use of your program to appeal to all: maybe it is time to move from discussions, and particularly from the intensification of political hysteria, and try to get down to business. This really helps.

[Lomakin] [laughs] Thank you for your advice, I think it is very useful. And so the annual meeting of the International Fund for Promoting Privatization and Foreign Investments will be held tomorrow. I think we will keep the television viewers informed about it, and about the privatization program in general. Our guest was the president of this fund, Vladimir Ivanovich Shcherbakov. Thank you for taking part in the program

[Shcherbakov] Thank you.

Privatization Opened to Foreign Investment

LD0207133392 Moscow ITAR-TASS in English
1121 GMT 2 Jul 92

[By ITAR-TASS correspondent Din Inamov]

[Text] Moscow July 2 TASS—"Obstacles preventing foreign businessmen from participating in privatisation of Russian enterprises have been finally removed," Stanislav Polzikov, vice-president of an international foundation for promotion of privatisation and foreign investments, told ITAR-TASS on Thursday [9 July].

He said it was achieved due to agreements reached by the Russian President during his recent visit to the United States, as well as resolutions of the Russian Parliament on the issue.

The foundation, a non-governmental public organisation, was established to render information, expert and legal assistance to foreign investors in the process of privatisation of organizations and enterprises.

The foundation exists for a short period of time, but over the past year it has been implementing over 150 projects, while their total number is over 4,000.

The projects cover almost all the branches of the economy of the Commonwealth of Independent States.

Polzikov mentioned privatisation of the Ust-Kamenogorsk lead and zinc producing plant in Kazakhstan, which accounts for three-fourth of a total lead production in the former USSR, among the foundation's achievements.

According to Polzikov, the main goal of the foundation is to work out projects for privatisation of enterprises which need foreign investments with their subsequent financing.

Polzikov said the foundation has a good economic basis for the purpose. During the visit of the Russian President to the United States documents were signed creating a favourable climate for American investments in Russia.

Businessmen can now receive profits in roubles and in hard currency. In case a privatised enterprise is expropriated for some reason, investors have the right to a compensation guaranteed by the state, the right to appeal to an international court to solve possible disputes with the Russian Government.

Peasants Voice Dissatisfaction, Threaten Strikes

PM1007085192 Moscow IZVESTIYA in Russian
9 Jul 92 Morning Edition p 2

[Report by Valeriy Kononov]

[Text] Instead of the reports, customary at this time of year, about the start of the harvest and the first grain yields, the news agencies are now reporting increasingly frequently on ultimatums, prestrike situations, and the catastrophic position of rural inhabitants.

"The Altay villages are on the verge of economic catastrophe and a social explosion," an ITAR-TASS correspondent was told by P. Yefremov, chief of the kray administration agricultural department, for instance. He said that the production of arable and stockraising products has been making a loss and the grain of the new harvest is tens times more expensive because of the rise in prices for equipment, fertilizers, and fuel.

It is not only a case of the collective farm [kolkhoz] and state farm [sovkhoz] system. A meeting of representatives of 11 regional associations of Russian private farms was held in Ivanovo recently. The statement which they adopted on behalf of 20,000 peasant farms states that the gathering of the harvest and the procurement of feed are threatened with disruption, that the private farmers movement itself could be discredited and overthrown as a result unless emergency measures are taken.

Rural strike committees have been created in dozens of oblasts. Thank God, matters have not reached the point of actual strikes yet. But there are already practical protest actions. The stockraisers from Kishertskey Rayon, Perm Oblast, for instance, have refused to supply the state with meat and milk because of the low purchase on prices. A number of large farms in Rostov Oblast have already stopped their partnership with the state.

These facts could be assessed as a protest, as an alarm signal, as movement toward an explosion or catastrophe. But they can be assessed differently. The rural inhabitant's rejection of a disadvantageous partner and the search for new sales channels is a normal phenomenon, albeit an unusual one as yet for our kolkhozes and for our state. The movement of prices depending on market conditions is natural, although attended by risk and fluctuations in production and consumption.

In Altay again the "Altaykholeboprodukt" association is in fact completing the conclusion of contracts with kolkhozes, sovkhozes, and private farmers for the necessary volume of the new harvest at free prizes. That means they have been able to reach agreement on mutually advantageous terms and there will be grain.

Of course, the distortions in the structure of the rural economy and the monopolism of the supplying enterprises deal a painful blow to the peasants. But it is hard for everyone now and the state's opportunities are limited. And while rightly hoping for a stronger agrarian policy from the government, we must also count on our own enterprise. It is not an ultimatum but an economic account that the peasants are presenting.

Government Decisions on 'Timely Harvest' Noted

LD0907134292 Moscow ITAR-TASS World Service
in Russian 1327 GMT 8 Jul 92

[Report by ITAR-TASS correspondent]

[Text] Moscow, 8 Jul—The supply to rural areas of harvesting machinery, trucks, and spare parts allocated to agriculture for January to September this year by 1 August this year is envisaged in a resolution by the Russian Government on additional measures to guarantee a timely harvest.

According to this document, the Russian Ministry of Trade and Power Engineering is granted the right to direct up to 90 percent of crude oil and oil products during the harvest period [July- October] toward civilian needs. It has also been decided to guarantee the delivery to consumers in the agro-industrial complex of at least 75 percent of the sheet metal and pipes stipulated in the contracts concluded for the year by 1 September.

An agreement will be prepared with the Russian Central Bank, within a week, on granting—via the Russian Republican Agricultural Bank and other commercial banks—additional advantageous credits to collective and state farms, peasant [private farm] holdings, and repair and technical, supply, and other agricultural enterprises and organizations to carry out harvesting work. Advantageous credits are also being allocated to enterprises of the committee for the food and food-processing industries and general-use vehicle transport.

The Ministry of Finance has been permitted to allocate 130 million rubles to the Ministry of Defense to finance expenditure connected with the formation of armed forces vehicle battalions for the harvest. The government has also elaborated other measures that will help the harvesting to be done on time and agricultural produce to be procured.

New 5,000 Ruble Note Comes Into Circulation

LD1007101492 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 0500 GMT 10 Jul 92

[From the "Novosti" newscast]

[Text] A new 5,000 ruble note from the Russian Central Bank is due to go into circulation today. It will not carry a portrait of Lenin or the coat of arms of the USSR. Instead, there will be a double-headed eagle, the symbol of the Russian Central Bank.

Yakovlev on Fascist Threat, Lebed Remarks

MK0807105592 Moscow MOSKOVSKIYE NOVOSTI
in Russian No. 28, 12 Jul 92 p 5

[Academician Aleksandr Yakovlev article under the "In the Country" rubric: "Repeat of Past"]

[Text] We have been warned three times over the past two weeks of a threat to the constitutional system. There has not yet been any official response to the Constitutional Court's decisive yet not very clear statement. The warning from Sergey Shakhrai, who pointed to the activation of communist forces, has been perceived as something that goes without saying. Andrey Kozyrev's interview has been given a hostile reception by certain statesmen...

Meanwhile, people have been frozen with fear: another putsch? The forecasts are all the more alarming because events really are already reaching the irrational level at which war could begin not between the authority and the people, as was the case under Stalin, for example, but between the peoples. And even simply between people.

I do not believe in the communist threat: It can only become real if we drive the communist parties underground. The threat of neofascism is another matter. It is nurtured by our traditions of intolerance, by the fueling of chauvinism and nationalism on various sides, by the very grave socioeconomic situation, and by the growing lumpenization of society. But the authorities take if not a more tolerant attitude, then a more frivolous one, toward this threat than toward the communist threat. It has proved easier to put the CPSU on trial than to implement the law prohibiting the fanning of ethnic strife. It is not that the CPSU does not deserve condemnation for usurping power, militarizing society, impoverishing the people, redrawing borders, etc... But it is not from here that a new "putsch" threatens us: It is arising out of large-scale interethnic conflicts, in which Russia is taking an increasingly active part. The foreign minister is right: Any attempt to plunge us into a small, medium, or any other war only plays into the hands of revanchist forces, for it spells the end of all reforms. Why does our democratic power apparently not notice these attempts or try to oppose the "party of revenge"?

What can one say about the priorities of Russian politics, if not just different but at times mutually exclusive

impulses are today issuing from the power structures? Boris Yeltsin holds talks with the leaders of Georgia and Moldova—which makes it possible to hope that the problems of South Ossetia and the Dniester region will be resolved by political methods. Then the new commander of the 14th Army makes not only the opposite statement but one that is overtly bellicose and is directed, in my view, no longer against Moldova but against the policy of the Russian Government and president. A supersymptomatic fact, you might say: Threats are resorted to not by a slightly inebriated passerby or a half-educated lieutenant but by the commander of an army which has at its disposal all the possibilities to wage a large-scale war.

But it is not, of course, a question of him—very definite sentiments lie behind this figure. How influential are they in the top power structures? In the past General Makashov suggested in an insulting manner to the former president of the Union that he attend a course in the art of warfare. In my view, Gorbachev made a serious error by not dismissing the general from the post of district commander in the space of the minutes that it takes to sign the decree to that effect. Lebed, as I understand it, is also continuing to command an army. What conclusions should be drawn from this? Is a power which does not know how to control the "personal initiative" of gallant generals powerless? Or is it playing a complex game, unafraid of jeopardizing human lives?

Why has the tragedy in Bendery not been meticulously investigated? The Moldovan side denies its involvement in bombing raids and excesses. This does not mean that its assurances must be believed unconditionally. But this is precisely why we should set up a joint juridical commission—from three prosecutor's offices, let us say: Moldovan, Russian, and Ukrainian—and try to uncover those really to blame for the tragedy. Maybe I am wrong, but the events in Bendery suspiciously resemble Sumgait. That was a major provocation organized by state security organs and local clan structures to test Gorbachev's power. He preferred to accept the version of an exclusively interethnic conflict—which enabled the provocateurs to continue acting in the same vein.

Maybe Bendery today is a test of Yeltsin's power. If the Russian president repeats the mistakes of his Union predecessor, will not Russia repeat the sad path of the Union?

Popov Attacks Civic Union Approach to Reform

MK0907130492 Moscow KURANTY in Russian
8 Jul 92 p 1

["P.Z." report under the general heading: "Will It Be Necessary To Steal Again?"]

[Text] A consultative meeting of representatives of regional centers of the Russian Movement for Democratic Reforms has been held. G. Popov, the movement's

chairman, spoke about the distribution of political forces in the country and about their attitude toward the reforms.

G. Popov devoted special attention to the policy being pursued by the recently created Civic Union. As is known, the tone there is set by the "All-Russian Union of Renewal" party created by A. Volskiy and A. Vladislavlev. Civic Union assures us that it advocates reforms. The whole question is: which ones? G. Popov called them nomenklatura-apparatus reforms. This union is particularly concerned about reinstating the state order. But if the market economy is founded on the consumers' needs, what state order can there be? It will extend to the output of heavy industry and the defense industry, which the population does not need.

At the same time the Civic Union, reckoning on attaining power, is campaigning for resources to be concentrated in the state's hands, and thus it turns all genuine entrepreneurs into criminals. Because they will have nowhere to get raw materials and semimanufactures from for the production of consumer goods, and they will once again be forced to steal. The power of directors and collective farm chairmen means the end of Russian enterprise.

Deputy Calls for Lipetsk Liberation From 'Scum'

LD0907133992 Moscow *ITAR-TASS World Service*
in Russian 2129 GMT 8 Jul 92

[By *ITAR-TASS* correspondent Nikolay Zagnoyko]

[Text] Lipetsk, 9 Jul—Viktor Anpilov, one of the organizers of the Ostankino pickets, speaking from the stage of a park in Lipetsk on Wednesday [8 July], called on citizens to declare their region liberated territory of the USSR. The speech of the Moscow deputy was steeped in militant enthusiasm and calls for freeing Russia from scum [nechist]. The hidden meaning of this concept was explained to the few listeners in an accessible form by Anpilov's colleague, former Russian presidential candidate Colonel General Albert Makashov.

He described as scum all those who regard themselves as the present bosses of life: democrats, cooperative members and politicians who brought about the collapse of the USSR. The appeals of the speakers for popular patience and wisdom were repeatedly interrupted by applause. However, when it was required to move from words to deeds and to testify in writing to one's desire to hold a referendum on the immediate removal of Boris Yeltsin from the post of president, no one could be found willing to sign the appropriate document.

KGB Holdouts Seek President's Removal

MK0607200592 Moscow *NEZAVISIMAYA GAZETA*
in Russian 2 Jul 92 p 2

[Interview with Sergey Shakhrai by Mikhail Zinin under the "Prognosis" rubric; place and date not given: "There

Is a Scenario Which Proposes the President's Removal, Sergey Shakhrai Maintains, Analyzing for *NEZAVISIMAYA GAZETA* the Development of the Political Situation Over the Upcoming Constitutional Court Session"]

[Text] [Zinin] There is a viewpoint according to which the communists need the upcoming hearings in the Constitutional Court by no means in order to defend the CPSU against injustice. For what purpose, then?

[Shakhrai] Quite right. Everyone long ago gave the CPSU up as a bad job, realizing that its structures can never be revived. It is a question of something altogether different: an attempt to engineer a trial of the president, using his decrees for this purpose. We arrived at the possibility of such a development of events at the end of last year. This option became perfectly obvious after the Constitutional Court, all in all absolutely rightly, deemed that the president's decree combining the Ministry of Internal Affairs and the KGB in a single ministry was unconstitutional. An inducement to continue in the same vein appeared. There was a Constitutional Court decision in respect of one decree, and they had to secure the emergence of just one more similar finding with regard to a presidential decision, and then there would be formal grounds for raising the question of impeachment, of his resignation, and then for convening an extraordinary congress and trying to bring about a change of power in such a quasilegal way.

It is extremely easy to be convinced that there are very real grounds for such a prognosis. You have only to familiarize yourself with the materials of the last news conference by our opponents in the Constitutional Court process. There Professor Kurashvili—a KGB colonel, by the way—virtually made public such an option. Only in different words.

[Zinin] The KGB has not existed formally for a long time now, and it is, nonetheless, difficult for *NEZAVISIMAYA GAZETA* to judge Kurashvili's membership of it....

[Shakhrai] This is a quite widespread delusion. There are still quite a few "old-thinkers" in the structures of state security, or whatever it is called, and those who have quit those structures are certainly not toothless.

Incidentally, our opponents frequently drive themselves into an impasse by asserting: "So what? For the CPSU itself began perestroika and began handing over power to the people." This confirms that the CPSU had power and, second, maybe it did "begin handing it over," but it did not finish doing so. Their method is clear—they wish to present the CPSU in the role of some kind of Maecenas who has become conscious of his past, sobered up, and decided to sow something sensible, good, and eternal. But we maintain that this structure acted under conditions of extreme necessity. Only because it had no other choice: either death or reform. Researchers will, I am sure, prove this in the future. But we ourselves have also partly managed to do so.

We are convinced that the reform in the CPSU was begun by the KGB. For the committee was the only organization to possess more or less real information from the provinces. It also turned out to be the only structure in the state to start sounding the alarm: The very foundations of the CPSU state—the military-industrial complex—are collapsing. Remember the first decisions, when Gorbachev began his perestroika. What they all concerned was machine building and similar things. This was nothing but an attempt to halt the collapse of the military-industrial complex and, in particular, to reduce the lag in the electronics sphere. Without this the state's economic and military might was increasingly distinctly being reduced to naught with every passing day.

There were many clever people and good specialists in the KGB. They reported this to those higher up. As regards the present day, I certainly do not rule out the possibility that a very interesting and as yet, it is true, a purely hypothetical scenario was prepared deep within this organization's analytical services with a view to the present.

The scenario proposes a retreat to previously prepared positions. It was proposed that the CPSU act according to the "layer cake" theory. The so-called "democrats" were to be given certain attributes of statehood. The highest ones above all, which have never had real power in this country—parliament, for example. True, they then had to give up executive power too—that of the president—when this no longer depended on them. But, despite all this, they managed to leave under their control the kray and oblast management tier, the military-industrial complex, and the corps of directors, who are still in charge of all economic ties. The retreat to these previously prepared positions thus occurred.

At the same time any possibility of the reform's getting through to people is being blocked. They are not obtaining property, privatization is not taking place, and neither is land reform. In general, the reform has so far been embodied only in slogans and decisions of the highest authorities.

[Zinin] In this light the activity of Volskiy's people, who are forming one structure after another and, recently, even an entire coalition—the "Civic Union"—seems perfectly natural, does it not?

[Shakhrai] Of course. This is a classic situation. Look, all those people who were rushing about Ostankino recently—I mean the national communists—have no chance of returning to power. At any rate, not for 10-15 years. The democrats have been unable to take power into their hands in two years. These two forces must destroy each other, and the directors of the military-industrial complex are left in the arena. At best, the healthy section of them, who realize that one cannot manage without reform. But then the laws of political struggle will, all the same, come into force, and, one way or another, they will have to take the next steps. Whether

we will manage then without bloody carnage—it is quite hard to surmise now... At best, there is still the possibility of a compromise between the president and these structures before the end of December. In the sense of particular alliances. Or else he will be removed in accordance with the scheme of which I have already spoken.

In such a situation the upcoming Constitutional Court session becomes—through the will of destiny and not, of course, in accordance with the judges' own wishes—the kind of culmination of all political life in modern Russia. The attendant attempts to destabilize the situation—in Moscow, above all—pursue three main aims. To show the incapable nature of democratic power—and this has been executed brilliantly. Second, to inflame the atmosphere to such an extent that the Constitutional Court cannot hold its session. For the judges, who are also people, will be faced with a choice not between law and lawlessness but between life and death. And this is quite a different choice. Finally, to make two extremes clash, providing them with an opportunity for self-destruction—the national communists and the "democrats" who have failed to cope at the helm of power.

[Zinin] Did the Constitutional Court's recent statement not make a correction to this scenario?

[Shakhrai] I believe it confirmed our analysis. The Constitutional Court cannot fail to sense this danger. The judges are having a very hard time now. They are being covered with all this dirt like Deputy Stepanov's statement about what is almost the bribing of Constitutional Court employees by Deputy Rummyantsev. The prosecutor's office is too soft on all this. Like the security organs, the army, and the Ministry of Internal Affairs, it is biding its time at present. It has not yet decided whom to support... I believe, however, that there is still a chance of avoiding the scenario of which I have spoken.

Yeltsin Seen 'Hostage' to Antireform Forces

PM1007083592 Moscow ROSSIYSKAYA GAZETA
in Russian 6 Jul 92 First Edition p 2

[Report by Sergey Kornilov: "News Conference. There Will Be No Membership Dues and No Members in Borovoy's Party"]

[Text] The Russian Party of Economic Freedom [PEF] has summed up the results of a three-day interregional seminar held in Moscow 29 June-1 July. The seminar was aimed at training administrators of the party's regional branches and studying the concepts of liberal and conservative theories. The PEF was registered only two weeks ago, but, nevertheless, the seminar was attended by 156 representatives from 64 regions of the country. In addition to studying experience of the activity of Russia's political forces, participants heard lectures on the work of the U.S. Republican Party.

At the PEF's news conference in the Polytechnical Museum a joint statement by the Party of Economic

Freedom and the Party of Constitutional Democrats "On the Need For the Russian President To Take Additional Measures To Defend Democracy" was circulated. The statement claims that the president is incapable of consistently and firmly carrying out the very complex reform tasks, being still surrounded today by the old communist establishment. The enforced maneuvering and policy of concessions are making the president hostage to antireform circles and threaten him with a repetition of the fate of Gorbachev while threatening Russia with catastrophic upheavals. "In view of this, we think it necessary to call on the president to carry out wide-scale cadre transformations of the leading organs of the Russian Federation Ministries of Security and Internal Affairs, and also to review his earlier appointments of presidential representatives in the oblasts of Russia."

In addition to the official joint statement Konstantin Borovoy, leader of the Russian PEF, also made an unofficial statement concerning the activity of the Russian Federation Security Council and the leadership of the Russian Ministries of Security and Internal Affairs. He appraised it as the activity of a suprastate force controlling all other forces, up to and including the actions of the head of government.

V. Zolotarev, leader of the Constitutional Democrats of Russia, added the following to Borovoy's remarks: "Russia needs a legislative act forbidding military men from any political activity or political statements and providing for stern sanctions against those who disobey, up to and including dismissal from the ranks of the army and navy and disfranchisement." He cited as one such example the statement by Admiral Kasatonov, which severely exacerbated the situation around the Black Sea Fleet and, Zolotarev said, placed the Russian and Ukrainian leaders "in a foolish position."

The well known eye surgeon and public figure Svyatoslav Fedorov spoke at the news conference. "I get the impression that the emergence and maintenance of 'trouble spots' is an attempt by means of war to avoid the main goal—transition to the market and, specifically, handing over to the people the property which belongs to them: the land to peasants, their workplaces to engineers and to workers too. Today the process of handing property over to the people is being deliberately dragged out in the hope that the old nomenklatura will come back to power. It would be more difficult to return land once it has been handed out. The government and the president are marking time."

Speaking of the formation of the PEF, Borovoy said that his party is drawing on contemporary international experience of party organizational development. "It will be an open party. We have already rejected party dues. In October, clearly, we will reject membership." In Borovoy's words, there are about 50,000 people in the PEF today.

Party Criticizes Official Disarmament Policy

LD0207111692 Moscow ITAR-TASS World Service
in Russian 1555 GMT 30 Jun 92

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 30 Jun—The opposition Constitutional-Democratic Party (Party of People's Freedom) [CDP] made a statement today sharply criticizing the policy of the president and Government of Russia in the sphere of disarmament, in particular the recent Russian-American accords.

"One gets the impression that in the sphere of disarmament the current Russian leadership strictly follows Mikhail Gorbachev's policy, which in fact has done great damage to the country." So says the statement signed by CDP Deputy Chairman Dmitriy Rogozin. In the party's view, Russia's policy in the reduction of armaments is based on the principles of priority of a political effect over military expediency, selective approach—for the benefit of the United States or NATO—to determining the range of weapons to be reduced, the expenditure-based nature of reductions which result in additional large expenses, and in general is distinguished by "a chronic lack of firmness and consistency in defending fundamental positions, an increasing preparedness for unequal compromises, and one-sided concessions."

The statement lists in detail the advantages which, in the CDP's view, the accords reached between the presidents of Russia and the United States would give to the American side and NATO in general by the year 2003, and puts forward a different plan for disarmament. For instance, a proposal to the effect that all nuclear states should remove between 70-90 percent of warheads from their missiles and keep them in the arsenals "locally" deserves to be studied thoroughly, the statement says.

Parties, Organizations Form Reform Association

OW0907190192 Moscow INTERFAX in English
1809 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] A number of political parties and organizations signed an agreement on establishing a political association of reform supporters called "Democratic Choice". Kirill Ignatiyev, organizing committee chairman, says that the parties and organizations who joined the association hope to play an important role in Russia's political life.

The agreement was signed by the parliamentary coalition "In Support of Reforms", Republican Party of Russia, Russian Businessmen and Cooperators League, Popular Patriotic Party, and a number of professional associations and writers' groups.

Speaking on goals, Igor Yakovenko, Republican Party co-chairman, said that the association aims to consolidate all democratic-oriented forces and combat the threat of fascism.

Lev Ponomarev, "Democratic Russia" movement leader, added that the association might eventually become a basis for a future democratic bloc at the election which the Democrats expect in the end of the next year.

Further on 29th CPSU Congress Proceedings

924C1851A Moscow ROSSIYSKAYA GAZETA
in Russian 6 Jul 92 p 2

[Article by Galina Mashtakova: "29th CPSU Congress: An Event of Local Significance"]

[Text] Their genetic penchant for secrecy made the members of the All-Union Committee of Communists (VKK) keep the location of the "historic" 29th CPSU Congress strictly secret right up until the last minute. Nonetheless, with incredibly good timing we ended up in the Moscow suburb of Pushkino on Gogol Street. At the peak of the registration of delegates a vehicle carrying the "city fathers" rolled up to the building of the former party gorkom [city committee]. Judging from everything, they awoke in the morning as if from a nightmare: Along with all the rest of the country, they learned from the radio that their city was the location for the regular congress of the nonexistent party. But they clearly did not quite appreciate being the chosen ones. The head of the Pushkino administration, Nikolay Klimchuk, was simply sorry.

"Actually I was intending to hill my potatoes, and here they are broadcasting..."

Nikolay Grigoryevich's befuddlement was quite justified—he, a Communist who never left the party, was disturbed not so much by the event itself as by the behavior of the organizers. The event announced previously for 4-5 July was called a "Briefing for Patriotic War Veterans by the Voluntary Society for Assistance to the Army, Air Force, and Navy." It is impossible to understand, but to the Soviet ear this sounds quite typical and proper. And nobody paid any attention—whatever may amuse the community of veterans as long as they do not ask for food...The sneaky veteran M. Fedorov took advantage of this. To the general rejoicing of the "congress" he announced that he had deliberately resorted to deception and now the party could be his judge. In keeping with its historical tradition the "party" not only did not condemn the lie but declared Fedorov the hero of the day. The announcement from the head of the administration about the illegal seizure of the building had no effect either: In the first place the actions of the CPSU as an organization as of the given moment are outside the law, and in the second place, the VKK is an upstart movement and is not registered anywhere. Incidentally, the agenda and work of the congress—"a bad joke," as N. Klimchuk put it—did not put the people

in a serious frame of mind. And the wise city leadership, taking into account the advancing years and the specific nature of the nervous system of the builders of communism, decided to leave them alone—they did not attach any significance to the senseless event.

In the meantime in the hall they were quite seriously making reports, discussing the program of actions of the CPSU and its regulations, making resolutions and decisions on behalf of all Soviet people, electing leadership organs and...USSR people's deputies from the CPSU. The congress decreed: "1. For activity contradicting the basic requirements of the Regulations and Program of the CPSU and unprincipled behavior in defending party interests, to expel the former General Secretary of the CPSU Central Committee M.S. Gorbachev from membership in the CPSU. 2. For conducting an antipopular policy which contradicts the USSR Constitution and has led to the country's collapse, bloody internecine wars, economic catastrophe, and a crime wave...to hold M.S. Gorbachev criminally liable." With the modesty typical of Communists, not a single one of the speakers spoke on his own behalf—only on behalf of "all the Soviet people." If one takes into account the fact that, according to the testimony of the local authorities, a good half of the seats in the hall were occupied by Pushkino pensioners, one can easily determine the importance of the 29th CPSU Congress.

...It turned out that there was no need for secrecy, or for the congress, for that matter. The only pity is that the Communists did not allow the head of the administration of the Moscow-area rayon to hill his potatoes on his day off.

New Secretariat Elected

LD0507182492 Moscow ITAR-TASS World Service
in Russian 1540 GMT 5 Jul 92

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 5 July—A "CPSU Press Service" spokesman has informed the ITAR-TASS correspondent that a "plenum of the CPSU Central Committee" was held today. This Central Committee was elected by the "29th CPSU Congress" which took place yesterday in the Moscow oblast town of Pushkino. At the plenum, a nine member "Secretariat of the CPSU Central Committee" and a 15 member Political Soviet [politsov] were elected. Sergey Skvortsov, chairman of the "All-Union Committee of Communists" was elected coordinating secretary [sekretar-koordinators] of the CPSU.

A session of the CPSU Central Control Commission was also held, at which Gennadiy Filatov was elected its chairman.

Calls For Gorbachev Trial

*LD0407151792 Moscow Mayak Radio Network
in Russian 1312 GMT 4 Jul 92*

[Excerpt] The 29th CPSU Congress opened today. This has already been reported, but now we have some details. Our correspondent Kirill Shakhnovich was there.

[Shakhnovich] The congress of the disgraced communists is taking place in the social security department of a local soviet in the town of Pushkino on the outskirts of Moscow. The congress is being held on the initiative of the All-Union Committee of Communists, an organization uniting ordinary party members fighting for the restoration of the Communist Party since September 1991. There are almost 100 delegates from the oblasts, and among these are representatives from seven of the former 12 republics. They are now discussing their rules, program of action, and the situation in the country.

They adopted a resolution on Mikhail Sergeyevich Gorbachev, the ex-general secretary of the CPSU. They once more expelled him from membership of the CPSU, and they proposed that the state bodies bring him to trial.

The other resolution is devoted to the Constitutional Court hearing against the CPSU itself. Participants of the 29th Congress have deprived Gorbachev, Ivashko, and Kuptsov of their powers to represent the CPSU and have appointed their own representative.

The Communist Party's program of action, which has been under discussion, speaks about the victory of anti-socialist forces, the betrayal of the former CPSU leadership, and the current leadership's subordination to the evil will of the West and the IMF. The principles of action for the present-day CPSU should be based upon a creative application of Marxism-Leninism, and upon all that is best being contained in the communist and workers' movement. The communists confirmed by their actions their loyalty to Marxism, Leninism, and the affair of October by laying flowers at the monument to Vladimir Ilich, which stands opposite the Pushkino social security department.

It is proposed that the CPSU will be a renewed party of action, and will fight for the unity of the country by means of supporting the demands of servicemen to restore a united armed forces. Also by restoring the USSR Supreme Soviet and by putting transport links under martial law.

In the sphere of democracy, it talks about abolishing acts of discrimination directed against communists.

Skvortsov, leader of the All-Union Committee of Communists, spoke of the need for a change in strategy, and I quote: Today, the Russian Communist Workers' Party is the largest Communist organization, but during meetings it is losing supporters. In working with the masses, we need to speak about prices, we need to go into enterprises, and we will thus get a lever on production. It is of no real interest to a worker who Gorbachev, Yeltsin

or Ivanov are—the topic of conversation for him is the subject of prices. This is the strategy for attracting members, Skvortsov concluded. [passage omitted]

Ostankino's Malashenko Discusses Politics on TV

*LD0907163192 Moscow ITAR-TASS in English
1526 GMT 9 Jul 92*

[By ITAR-TASS correspondent Tamara Ivanova]

[Text] Moscow July 9 TASS—"Politics should appear on TV screens as information rather than propaganda," believes Igor Malashenko who was appointed first deputy chairman of the Ostankino TV Company on Thursday [9 July].

He told TASS that the key long-term task is to preserve united information space within the former Soviet Union and to establish an inter-state TV company.

Malashenko underlined that television should serve entire society rather than government or some political quarters.

He noted that television failed to give adequate coverage of economic issues. It is necessary to change from politics to economics and create professional teleprogrammes on this topic.

Incidentally, Malashenko, a political analyst by profession, regards his appointment as a sign of politicising the screen. "Otherwise, this place should have been given to an economist," he said.

ITAR-TASS footnote: Malashenko, 39, graduated from the Philosophy Faculty of Moscow University and its post-graduate courses. He has been working at Central Television since the spring of 1991.

Yakovlev Expounds on Conflict With Authorities

*MK0707114792 Moscow NEZAVISIMAYA GAZETA
in Russian 4 Jul 92 pp 1, 5*

[Interview with "Ostankino" Television Company Chairman Ye.V. Yakovlev by Irina Petrovskaya under the "Television" rubric; place and date not given: "Yegor Yakovlev: '...The Ship Is Still Afloat.' 'Ostankino' Chairman Has No Intention of Resigning"]

[Text] [Petrovskaya] Yegor Vladimirovich, what mood are you in after the heated June battles outside your department's walls?

[Yakovlev] I remember my youth: During some happy party I sat on the parapet of the 12th floor, with my legs dangling. Then I went home, went to bed, woke up toward morning, and felt terribly frightened. I had roughly the same feeling with these demonstrations: While they were going on, I was in a fighting mood, but then there was a release of tension... The hardest thing

both for me and for the "Ostankino" collective, particularly during the first days of the siege, was the feeling that what was happening concerned no one but us.

[Petrovskaya] How do you account for the authorities remaining inactive for so long?

[Yakovlev] Various guesses are being made now, even this one: It is said that Yeltsin indulged the demonstrations to show on his arrival in America how great the opposition to him in Russia is. But it seems to me that there were no secret aims. It was a manifestation of our usual Russian laissez-faire [razdolbaystvo]: They are committing excesses in Ostankino—let them do so. I appealed to many people during those days. Khasbulatov brushed me off: "OK, OK, we will investigate." Ponomarev and Murashev sat in my office and agreed that it was time to use the weight of authority... Somewhere around the eighth day the studio managers came to me and said: "People's patience is running out. Protect us. If the militia lacks the forces to ensure at least our free access to the building, then hire private detectives, the money is there." I called Russian Internal Affairs Minister Yerin and said: "We intend to hire private detectives—from 'Aleks' and 'Delta.' Maybe you would consider that awkward, for we are, nonetheless, a state organization?" He replied: "Hire them if you want to." "But my collective is on the verge of striking." "Work with the collective is your problem." We hired them. Only these people from private firms ascertained how vodka was being brought in and distributed, in which vehicles, by whom, etc. The Moscow Federal Security Agency told me: "Our employees were among you and saw that there were no drunks." The excesses in Ostankino demonstrated the worthlessness of the executive power. What happened? There was a direct violation of freedom of speech and pressure on journalists. The executive authorities were unable to uphold freedom of speech.

[Petrovskaya] Or they did not want to.

[Yakovlev] Or they did not want to. In the Supreme Soviet Committee on Glasnost I declared quite officially that the mob did not take the television center, not because it was unable to—it simply did not enter into the plans of those who brought the mob to Ostankino.

[Petrovskaya] But maybe it suited someone (I do not know whom) for the most aggressive section of the population to let off steam. And it did so here, "far from the city noise," far from the centers where the power is concentrated—that power, dissatisfaction with which had caused all these events.

[Yakovlev] Maybe... But I am amazed that many people still rebuke me: Why did I receive representatives of the opposition, why did I talk with them? I am glad that I spent five hours with those people. I realized that it is possible and necessary to converse with them, except for Anpilov. It is interesting that, of the 12 people who declared a hunger strike in my office on 12 June, only

three signed a few days later the leaflet on the 22 June rally. After our talks nine of them left Anpilov. I am proud of this.

[Petrovskaya] Prokhanov declared on the "Live Dialogue" program that the opposition was obliged to the decisive actions of the people's masses for his appearance on the screen...

[Yakovlev] First, that is a lie, because Anpilov, Baburin, Zyuganov, and others have this year participated in no less than 25 television programs and have had access to a radio microphone innumerable times. There is no system with regard to giving the opposition airtime—I agree: We are tackling this. Second, I said at that meeting that our company is more interested in the opposition's presence on the screen than the opposition itself. If they prevent me from doing this today, I will not work here. But when I looked out of my office window at the militia and the mob from wall to wall, I saw a civil war in miniature. And I firmly understood that I do not wish to be on either side. In the parliamentary hearings Poltoranin and Poptsov accused me of wanting to be above the fray. This is not the issue: Television must not choose whose side it takes when blood is being shed. Its task is to do everything to prevent it.

[Petrovskaya] I agree that national television cannot adhere to any one political line. But this does not mean that it must not have any concept at all in the coverage of particular problems and events, as is the case now. Publicistic programs have practically disappeared from the screen, with the possible result that a considerable percentage of the population does not understand what is happening in the country...

[Yakovlev] Do you really think I would be so impertinent as to say that I understand something?

[Petrovskaya] So publicistics is a means of getting to the bottom of what is happening.

[Yakovlev] Do you think that there are gods in television who are able to explain everything?

[Petrovskaya] Let us assume they are not able to. But they are able to show it—and not just piles of bodies and holes in walls but also simply life. I, for example, suddenly wanted very badly to see HOW people are sowing, WHAT they are sowing, and WHAT we will eat in the winter. In my view, it is very important for our viewer, who is living in constant expectation of hunger, pestilence, and war, to see that, despite everything, people are somehow living and surviving. There is virtually none of this on television. On the other hand, there is a huge number of all sorts of shows, whose standard is so depressing that it suggests that nobody is concerned about the substantive, creative part of broadcasting.

[Yakovlev] It is very hard to ascertain what is happening. It is still harder to show life the way it is. There are very few people in "Ostankino" today who would be able to

do this: They will show the sowing, which you are missing, in such a way that you will come along tomorrow and spit upon me. But I myself miss what you call simply life in our programs. Sometimes this happens with authorial [avtorskiy] television, with Leonid Parfenov. I value Listyev's "Tema" very highly. It seems to me that he was the first to make a program concerning particular aspects of cooperation among people. That is, you are right to say that life—of a major enterprise, a small town, a village, or a family—has quite vanished from the screen. We really do have a lot of dire programs. We are standing still... Our creative things also leave something to be desired...

[Petrovskaya] You will soon have been chairman for one year. What, forgive me, have you been doing?

[Yakovlev] I have endeavored to rescue the company and to find at least some way out of the situation. In general, I think increasingly frequently with sadness: Where did they shove me last August, in which monstrous organization have I ended up! I was always terribly proud that my work was a joy to me. But here I literally drag myself to work in the mornings, because... I am far removed from the creative process in which I would very much like to engage, but at present I do not have the opportunity... Back in December, Yeltsin signed the decree on the transfer of "Ostankino" to Russia's jurisdiction and the company's reorganization. Only now, six months later, can I say that all the documents, without which the company could at any moment have been deemed invalid, have at last been approved. But how much effort, nervous energy, and, most importantly, time it has taken. So is it any wonder that television is getting nowhere, and Yakovlev is not engaged in creative work? This is not to mention the fact that during the first months of this year "Ostankino" was not being financed at all, and its foreign correspondents had fallen into a debt trap. Add to this the overall political crisis following the USSR's disintegration and the associated crisis in Central Television, whose fate was in jeopardy. It is senseless to have two Russian companies, I realized that. They began to suspect me of wanting to combine them. But I was acting like the physician who says: "You will receive treatment, or you will die." When I proposed setting up a CIS interstate company, I was the physician who advises treatment. All this time I have been working to preserve a single television space—this is my main civic wish.

[Petrovskaya] But the last meeting of the heads of government in Minsk showed that your idea is unpopular among the CIS leaders. Or am I wrong?

[Yakovlev] You are wrong. That disinformation came from somewhere. In actual fact, the decision to set up an interstate company was finally adopted in Minsk, and all the founding documents are now being prepared. This idea is not just vital but is also closer than ever to being realized. Only it is hard to realize it overnight. It is great, serious work.

[Petrovskaya] Yegor Vladimirovich, various newspapers have recently carried sharply critical articles about you, including PRAVDA in an article entitled "Cheated..."

[Yakovlev] That article was based on disinformation: They accuse me of allegedly having deceived Gaydar by asking him for money for television equipment but spending it on the purchase of printing equipment for the TV-REVVU magazine. Well, first, we did not ask for money but for permission to unfreeze our own currency account. Second, the equipment was purchased not for TV-REVVU, which simply did not exist then, but in order not to be dependent on the PRAVDA Publishing House and for ourselves to publish our own SEM DNEY, KRUGOZOR, EFIR, etc. There was another article of equal PRAVDA-like "truthfulness" [pravdivyy—pun on the word pravda, meaning truth]—in the newspaper DEN. I came under fire. I would like to know why the choice fell precisely on me. For even the "patriots" leveled all the charges at the head of precisely our company. Why (although I certainly do not wish this upon Oleg Poptsov) does Russian Television not arouse such burning interest? You would think that, if the "patriots" are concerned about the good of Russia, they have a direct path in that direction. Here, in general, there is some paradox. On the one hand, they favor the restoration of the USSR. On the other, they advance this slogan: "Russian Television for the Russians." But "Ostankino" is the only thing in common remaining from our former joint life. What does "Russian television" mean? It means that the former republics will tomorrow refuse to accept the first channel, and the last thread linking the Russians there with Moscow will be broken. Do you understand with what detriment to themselves these people are acting?

[Petrovskaya] Following these articles and rallies, following Sagalayev's resignation, there has been talk inside and outside television that your resignation is not far off either...

[Yakovlev] As for Sagalayev, I learned much that was new about him from his interview in NEZAVISIMAYA GAZETA. I was particularly taken with his thoughtful hint that there was a political reason behind his decision. Nevertheless, I entirely agree with two of his statements: that he is not too good as an administrator and that time and money can make television civilized. Obviously, he possesses both. In general, Sagalayev's story is giving rise to the most fantastic rumors. Some people believe that he fled from a sinking ship. Zyuganov, Prokhanov, and their ilk say that Sagalayev ended up the only decent person in "Ostankino" and left because of television's incorrect attitude toward the opposition... Well, first, I do not believe that the ship is sinking—the ship is still afloat. Second, the opposition also suggested that I resign. But I am quite a responsible person, and I realize that I can be useful to the company at present. Do you really think that, having sent a letter to the CIS leaders and having proposed the creation of interstate television, I will leave without taking this to its logical conclusion? I readily admit that I might not suit Russia's present

leading structures... But, to allow myself to abandon everything, to betray people, and to leave—this is impossible for me without fundamental disagreements with the authorities. At present there do not appear to be any. I accept all the blame for the fact that television is in crisis and is getting nowhere: This means that I was unable, I did not know how, I did not organize. And I will not look for other scapegoats.

Journalist Details Ban From Ostankino

PM0607143792 Moscow PRAVDA in Russian
2 Jul 92 p 4

[Interview with journalist Vladimir Verin under the "Follow Up" rubric conducted by unidentified journalist; date, place not given: "For Yegor Yakovlev, a Journalist Is More Terrifying Than a Picket"—first paragraph is introduction, last paragraph is editorial postscript]

[Text] Several of the staff at Ostankino telephoned the editorial office yesterday and informed us of the unprecedented verbal instruction issued by Yegor Yakovlev. The day after an article by Vladimir Verin entitled "Swindled..." appeared in PRAVDA (23 June) Yakovlev ordered that in no circumstances was the author of the article to be allowed into Ostankino. Let us recall that the article dealt with how the television and radio company chairman had duped the prime minister, obtaining 2 million Deutsche marks from the government to purchase television equipment which he then allowed to be put to quite different ends. We telephoned Verin and asked him to comment on what had happened.

[PRAVDA] Vladimir Aleksandrovich, what happened then?

[Verin] What happened goes under the name of "democratic absurdity." The old television hands maintain that not a single one of the previous television leaders, even the sternest, would have brought himself to ban a journalist from visiting the television station and performing his professional duty for criticizing him. But Yegor Yakovlev did. I, to be honest, had a higher opinion of him, I considered him to be more intelligent as an individual and more considerable as a leader. Did he really think that he would make me shut up by this ban? A vain thought....

And there is no logic at all to it. What is a decent person to do after an article appears accusing him, to put it mildly, of dishonesty to the tune of 2 million in hard currency? Either, if the facts are fabricated and false, you take out a libel suit against the author. Or you hand in your notice. Yakovlev, however, orders "keep him out." But Ostankino is not, after all, the Matrosskaya Tishina prison, I can meet with the company staff outside the sphere of influence of the television chairman.

[PRAVDA] Is this reaction by the authorities the only "response" to your articles?

[Verin] Unfortunately.... Over the last six months I have published in the press a pretty large number of specific instances of violations of legislation by Yakovlev and his team. But our legislation operates selectively. The Prosecutor's Office, the Ministry of Press and Information, and the relevant committee of the Russian Supreme Soviet pretend everything is normal. The "alternative" press also stays mum. You can kick up an indignant row via all the channels only when it concerns a couple of grayling caught by Kunyayev in some northern river. While here, at our biggest television and radio company, cadre terror runs riot, political censorship rules, and exorbitant contracts are concluded at enormous cost to the state—with zero attention paid to them....

[PRAVDA] What do you intend to do, then?

[Verin] Write about everything I can vouch for. [interview ends]

Editorial Office: We have had no response at all from Yegor Gaydar clarifying his position regarding "the affair of the 2 million."

Paper Ceases Publishing Monday Issues

PM0907155492 Moscow ROSSIYSKAYA GAZETA
in Russian 10 Jul 92 First Edition p 1

[Editorial announcement: "To ROSSIYSKAYA GAZETA Readers"]

[Text] Dear friends! The editorial office regrets to inform you that the newspaper is to cease publishing on Mondays. From [Monday] 13 July we will meet with you only five times a week—Tuesday through Saturday.

The reasons for this decision, which has been forced on us, are beyond the control of the ROSSIYSKAYA GAZETA editorial office: For a long time our newspaper has been printed on Mondays at local printing plants along with other central publications, but they have stopped publishing newspapers on those days.

In this connection ROSSIYSKAYA GAZETA has received notifications from local printing plants and mail communications enterprises which deliver the newspapers to subscribers, to the effect that the production and delivery of a single newspaper on Mondays is not expedient.

We are forced to bow to economic diktat.

220,000 Refugees Reported in Republic

LD0907154892 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1400 GMT 9 Jul 92

[Text] As of today, 222,000 refugees have been officially registered in Russia. Of them, 37 percent are Ossetians, 20 percent are Armenians, 20 percent are Meskhetian-Turks, and the remaining 23 percent are Russians. The

Russian Government has developed a long-term migration program that will allow more than 200,000 refugees to be settled in the republic by the end of the year. The most alarming information in this regard is from the Dniester region. There are already more than 120,000 refugees from this region. The flow will increase and no one has precise figures.

Supreme Soviet

Khasbulatov on Russians' Rights in Baltics

OW0907115792 Moscow INTERFAX in English
1417 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] The Russian Parliament's Speaker Ruslan Khasbulatov declared on Thursday [9 July] that the rights of about 2 million ethnic Russians in the Baltic republics were infringed upon. In his words, "we cannot turn a blind eye to what's happening". The parliament has accepted Mr. Khasbulatov's proposal to consider the position of ethnic Russians in the Baltics next Wednesday.

Aven Briefs on Foreign Trade Condition

OW0307204592 Moscow INTERFAX in English
1815 GMT 3 Jul 92

[Transmitted via KYODO]

[Text] The Russian Minister of External Economic [title as received] ties Peter Aven has said that last year Russia's export was down 22% and import, 44 percent. Aven was speaking in the Russian parliament on the condition of the country's foreign trade.

Aven said that Russia had withdrawn "from the traditional markets of military hardware - Iraq and Libya - which cannot be compensated for in the short run".

External Economic Ties Minister said that fuel continued to account for 80

of Russia's exports. He dismissed criticism against the government for raising export tariffs. "This is the sole measure preventing a massive sale of the country's resources at next to nothing", he said.

Aven announced that 2.6 bln. [billion] dollars from Russia's hard currency reserve were spent in the 5 months of the year. The lion's share, 1.2 bln, was used to buy foodstuffs. About the foreign debt he said that agreements signed with Western creditors "suit us perfectly". Aven claimed that on those credits Russia was paying a mere 15% of what it should pay normally. External Economic Ties Minister said he expected the United States to lift anti-dumping duties on uranium from Russia in August, which would let it increase its export of that material.

Aven said that the government was going to set in motion a new mechanism of hard currency distribution. He said that in Russia there were 8 bln. dollars worth of imported equipment not installed yet. This equipment will be distributed on the contested basis.

Khizha Appeals for Ordering of Banking Sphere

OW0907190292 Moscow INTERFAX in English
1809 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] The Russian government appealed to the parliament of Russia demanding "to put the bank sphere in order". Addressing the session of the Supreme Soviet on Thursday [9 July], Vice Premier Georgiy Khizha declared that the government has done everything it could to liquidate mutual liabilities of the Russian enterprises but the Central Bank of Russia is impeding the governmental work on liquidation of the enterprises' liabilities.

"We want the parliament to examine the structure subordinate to it", Khizha declared to "IF" [INTERFAX].

The mutual debts of the Russian enterprises exceed 3 trillion rubles as of today.

Khizha noted that the government has developed and approved a package of documents which make easier the trading of enterprises and introduce a new system of mutual calculations between enterprises. "The government has received a credit and is ready to present it to the enterprises", Khizha underlined, "but the Central bank is to be blamed for preventing the flow of money to the enterprises". According to the government, the enterprises receive not more than 20% of the governmental credits and the other "disappear on the way to enterprises".

Active Promotion of Market Forces Urged

PM0907122792 Moscow ROSSIYSKAYA GAZETA
in Russian 1 Jul 92 First Edition p 2

[Report by Aleksandr Linkov: "Parliamentary Hearings: The Market Must Be Developed. It Will Not Emerge on Its Own"]

[Text] The parliamentary hearings on industrial policy in Russia prompt sad thoughts. Doctors of Sciences V. Manevich, A. Amosov, and O. Rogova and People's Deputies G. Zadonskiy, P. Filipov, and others who spoke there painted a pretty gloomy picture of the situation in industry. Today we can already talk about the collapse of the economy, which will ultimately cause the death of production and the lumpenization of the people in the country. There can as yet be no question of any steps toward a market economy.

Some 95 percent of enterprises are still state-run, and there is a total absence of competition. Monopolists have an interest in maintaining high prices and reducing

production levels. V. Rasskazov, first deputy chairman of the board of the Central Bank of Russia, cited a curious example. He had been approached by the director of a plant in Krasnoyarsk asking for credit of 500 million rubles [R], although the enterprise itself had amassed finished output worth R800 million. He told them to sell it and use their own money, but they are hanging onto the output because it is not being snapped up at the price fixed by the plant workers and they are reluctant to lower the price. They are waiting for customers to be forced to loosen their purse strings by hook or by crook. But credit is needed to procure more raw materials and semimanufacturers and pay off the workers. The wage situation is totally arbitrary. In the Tyumen area, for instance, different enterprises pay R1,000 to R40,000 for the same job. In the struggle to retain power leaders are doing deals among themselves: They swap fictitious projects. These are already widespread. There is one aim, which is to be able to say: Now try to privatize us, with all our debts. V. Rasskazov thinks that there is one way to break the deadlock—the government must take credit from the Central Bank and allocate it only to those enterprises that need money, otherwise everything will once again be spent on raw materials and wages.

As for finances, in the experts' opinion we have in Russia not inflation but a straightforward collapse of the monetary system. The ruble is not playing its role. Its unstable position is aggravated further by the fact that dollars, marks, and other foreign currency are freely being used around the country. Even backward countries do not allow that kind of attitude to their national unit of currency.

It is easy to criticize, but are there steps that could avert the collapse of industry? Experts think that such opportunities do exist. One avenue is to monitor prices. Not for all kinds of commodity, naturally, but for basic raw materials. This does not spell a return to the old administrative system. Prices are also frozen or regulated in developed capitalist countries, and no one panics.

Our management system has virtually been wrecked today. Mammoths numbering many thousands of people form the basis of our industry. Breaking them up into smaller units and granting them autonomy will make it possible to form normal, competent organisms. There are, for instance, 70 times more industrial enterprises in the United States than in the whole of the former USSR. That is the origin of competition on the commodity market. Monopoly can stifle everything. Tough measures are sometimes needed to combat it. The government's hopes that the market will organize itself as prices are relaxed are nothing more than a calculation. In practice the market needs to be developed and shaped, especially in our system, which for decades built up supercentralization.

Council Chairman Supports Dniester Claims

OW0907163192 Moscow INTERFAX in English
1544 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] The Chairman of the republican council of the Supreme Soviet Nikolay Ryabov believes that new sources of tension can appear on the territory of the former USSR. Thursday [9 July] in his interview with "IF" [INTERFAX] he said that demands of Dniester concerning political and economic status in the framework of Moldova are "quite legal and must be satisfied". If these demands are not taken into consideration "we shall undertake more resolute and concrete steps", Ryabov warns. According to Ryabov, the Russian leadership occupies the same attitude towards South Ossetia as well.

Ryabov underlined that "we do not support yet" the statement of the Dniester leaders on complete independence and of South Ossetia on joining Russia. "But this situation will continue only until a certain point".

Speaking on the problems of the Russian-speaking population in the Baltic states, he said, that until now Russia occupied "a balanced position on this issue". The Chairman of the Chamber noted that the Baltic representatives were repeatedly told that the Russian-speaking population will not be able to endure such a pressure on human rights and will undertake resolute measures".

Rules on Mortgage Bank Sent to Parliament

OW0907183392 Moscow INTERFAX in English
1758 GMT 9 Jul 92

[From the "Interfax Business Report"; transmitted via KYODO]

[Text] Russian President Boris Yeltsin sent Parliament a bill outlining the transformation of the "Rosselkhozbank", currently a government agency which finances the agricultural sector. The bank will become the Agricultural and Land Bank of Russia.

The bill, which must be approved by the Presidium of the Parliament, will allow the bank to issue certificates to citizens confirming the right to own land, conduct mortgage operations, and finance producers with the future harvest as a deposit. The sale, purchase, and lease of land in Russia is the bank's "exclusive jurisdiction". The bill states that the bank owns 20% of all land ownership certificates issued by the government.

The sale or purchase of land is forbidden by the Russian Constitution. Ownership of land can be transferred only in favor of the government, thus the land certificates essentially violate the fundamental law of the country. However, the land certificates are considered the only

route to setting up a stable economic mechanism by which land can be redistributed among agricultural manufacturers.

The Russian President said in his letter to parliamentary speaker Ruslan Khasbulatov that concentrating all land transactions in one bank will prevent corruption in the sale and purchase of land.

"Rosselkhozbank" has paid capital of over 6 billion rubles and 1000 subsidiaries throughout Russia. The bank also has correspondence accounts with 25 major foreign banks. Rosselkhozbank paid shareholders dividends at an annual percentage rate of 12 to 18 percent last year.

President Yeltsin's bill says that the Land Bank will be a stock company founded by Russian and foreign legal entities.

Journalists Guild Protests Media Restrictions

LD0607102192 Moscow Radio Rossii Network
in Russian 1800 GMT 5 Jul 92

[Text] Regrettably, only IZVESTIYA and Radio Rossii have responded to the statement issued by the Guild of Parliamentary Journalists on 30 June, which voiced alarm over the attempts to curb glasnost in the Russian parliament, where news conferences by parliamentary factions have been banned and only selected journalists are admitted to Presidium sessions. Sergey Belyayev is at the microphone.

[Belyayev] Lately, the statement points out, a dangerous tendency toward strangling glasnost has emerged, with the leadership and the Supreme Soviet of the Russian Federation erecting obstacles to journalists' work. This has been manifested, for instance, in a number of restrictions on press staff access to information sources, which, according to the Media Law currently in effect, is an inalienable right of accredited correspondents.

This past June the parliamentary chairman officially announced that only correspondents from three news agencies—ITAR-TASS, RIA, and INTERFAX—and ROSSIYSKAYA GAZETA would henceforth be admitted to sessions of the Presidium of the Russian Federation Supreme Soviet. All other parliamentary correspondents accredited to the Supreme Soviet were to be denied access. Staff at the Supreme Soviet press center were then told that only correspondents from those same organizations would be admitted to news conferences by parliamentary leaders.

On the instructions of the Supreme Soviet leadership, its press center is working to remove the accreditation of a number of parliamentary correspondents whose professional activities are evidently not to the liking of Russian parliamentary leaders. Sergey Filatov, first deputy chairman of the Russian Federation Supreme Soviet, announced this bluntly to deputies at a Soviet of Nationalities session. The statement cites his words: We have

raised the matter of removing the accreditation of a number of correspondents, since they are looking for nothing but dirt here. Our press center is drawing up documents on this now, end of quote.

Thus, the statement notes, we have yet another relapse into restrictions on freedom of speech and blatant pressure on journalists covering the work of the Russian parliament from people who—one would think—should be concerned more actively and zealously than others to ensure the implementation of the Law on Mass Media adopted by that same parliament. According to the law, all complaints against journalists can be settled only through the courts. The Guild of Parliamentary Journalists voices its determined protest against attempts to violate the Law on Mass Media.

Presidium 6 Jul Session Reported

PM0807134992 Moscow ROSSIYSKAYA GAZETA
in Russian 8 Jul 92 First Edition p 1

[Report by Russian Federation Supreme Soviet press center: "Russian Supreme Soviet Presidium Session"]

[Text] A routine session of the Russian Federation Supreme Soviet Presidium held 6 July in the House of Soviets was led by R.I. Khasbulatov, chairman of the Russian Supreme Soviet.

The information submitted by the deputies' commission on the results of a study of the activity of Moscow's representative and executive organs of power in implementing economic reform and of their fulfillment of Russian Federation legislation has been sent for a conclusion to the permanent commissions of the chambers and the committees of the Supreme Soviet. The parliamentary commission has been instructed in conjunction with the Moscow City Hall and Moscow Soviet to continue work and to present additional information to the presidium in the fall of 1992.

The draft fundamental principles of legislation "on the protection of labor in the Russian Federation" has been sent for examination by the republics within the Russian Federation, the Supreme Soviet chamber commissions and committees, and the Russian president. The draft prepared by the Russian Federation Supreme Soviet commission for social policy in conjunction with specialists of the Federation of Independent Trade Unions of Russia and other trade union associations and the Russian Ministry of Labor and Employment for the first time in the practice of regulating labor relations lays down economic incentive measures to encourage enterprises in creating safe production facilities, which is particularly important in the transition of the republic's economy to market relations.

In accordance with parliamentary procedure the Presidium has sent for examination to the commissions and committees and the Supreme Soviet drafts of the following:

—Russian Supreme Soviet resolutions “on ending the execution of decisions of the commissions for the allocation of pensions on exacting from pensioners the sums of overpaid state pensions,” “on the regulation of civil juridical relations in the period of the implementation of economic reform,” “on measures to develop compulsory medical insurance in the Russian federation,” and “on changing the size of insurance contributions by employers and citizens to the Russian Federation pension fund;”

—laws “on the protection of constitutional organs of state power” and “on the release from active military service of members of the officers’ corps at their own wish.”

By its resolution the Supreme Soviet Presidium has supported Moscow Oblast’s proposal for creating in the oblast, as an experiment, a single pension service on the basis of the Russian Federation Pension Fund department for Moscow Oblast. This organ will accumulate and distribute funds for pensions and compute and pay pensions and benefits. The new organ should be subordinate to the Russian Pension Fund and fully maintained by it financially and materially.

It has also been decided to send for examination by the republics within the Russian Federation and the krais, oblasts, autonomous oblast, and autonomous okrugs, and the cities of Moscow and St. Petersburg the drafts of “the fundamental principles of Russian Federation legislation on lawyers and attorneys” submitted by the Supreme Soviet committees for legislation and human rights and also the “fundamental principles of Russian Federation legislation on lawyers” submitted by the Russian president. The committees for legislation and human rights have been instructed to generalize the remarks and proposals which have come in and to submit these draft laws for examination by the Russian Federation Supreme Soviet.

Other questions of Russian state life were also examined.

8 Jul Supreme Soviet Highlights Noted

LD0907030992

[Editorial Report] Moscow Russian Television Network in Russian at 1958 GMT on 8 July carries the program “At the Russian Federation Supreme Soviet Session” on recorded highlights of the activities of the 8 July Russian Supreme Soviet session in Moscow.

Ruslan Khasbulatov opens the session by presenting Deputy Defense Minister Mironov, who in a brief speech urges the deputies to ratify the treaty on conventional forces in Europe. Berdennikov, deputy minister of foreign affairs, then takes the stand and urges the same. The deputies vote to ratify this treaty. The results are 169 deputies in favor, four against, and 10 abstentions.

Deputy Vitebskiy then takes the stand to explain the resolution on international obligations on chemical and

biological weapons. The resolution is adopted by a vote of 181 in favor, one against, and four abstentions.

Sergey Vladimirovich Stepashin then presents the law on foreign intelligence, which is adopted by a vote of 88 for, none against, and four abstentions.

Deputy (Sheykov) then comes to the podium to present the Russian Federation’s Law on Federal Organs of National Security. This is adopted by a vote of 72 for, four against, and four abstentions.

The program then shifts to the evening session, chaired by Yarov. The session considers the law on mineral concessions. Deputies are urged to adopt this draft law as it is very important from an economic point of view. It is adopted by a vote of 163 in favor, five against, and five abstentions.

The draft resolution on bringing into line with the rest of Russia the system of civil and criminal trials at special regime installations and special regime military units is adopted by a vote of 171 in favor, none against, and no abstentions.

The final issue is the situation in the Dniester region. The chairman of the commission on interethnic relations explains the situation following the Dagomys meeting. Moldova proposed setting up combined forces to separate the sides involved in the conflict. The approval of the parliaments of the sides involved is to be sought. The Ministry of Defense and Ministry of Foreign Affairs have been called upon to create the necessary conditions for the Dagomys agreement to come into force. An unidentified man in military uniform comes to the stand and states that any peace forces are useless unless the sides involved want to see an end to the conflict and act accordingly. The statement lays down that if the agreement on ceasing military activities signed on 7 July is not implemented and the fighting continues, then the Supreme Soviet will have to take the necessary immediate measures to ensure that the bloodshed is stopped, that the lives of citizens are protected, and that international agreements on human rights are observed. A vote is taken on this statement and it is adopted by 174 in favor, three against, and one abstention.

Regional Affairs

Military Aircraft Crashes in Eastern Siberia

LD0907115692 Moscow *ITAR-TASS World Service* in Russian 1055 GMT 9 Jul 92

[By *ITAR-TASS* correspondent Roman Zadunayskiy]

[Text] Moscow, 3 July—A tactical Su-24 bomber belonging to the Transbaykal Military District suffered an accident and crashed in the course of carrying out a flight mission. This took place in the region of the village of Aledzavod in Chita Oblast (East Siberia) at 1120 Moscow time [0720 GMT]. An *ITAR-TASS* correspondent was told about this in the Russian Procuracy’s main

directorate in charge of supervision of the observance of the law in the armed forces. According to preliminary data, Captain Yegorov, crew commander and Lieutenant Bakin, the navigator have died. The military procuracy is investigating the circumstances of the crash.

Yeltsin Advised To Remove Krasnodar Appointee

*MK0807133792 Moscow KOMMERSANT in Russian
No. 17 29 Jun-6 Jul 92 p 18*

[Report by Nikita Ryazanskiy: "Dyakonov Is Not the Chief. But Shumeyko Now, He's the Chief; Russian Governor No. 1 Removed"]

[Text] On 30 June the deputies of Krasnodar Kray soviet expressed no confidence in Vasily Dyakonov, head of the kray's administration, advising the president to remove the first governor he appointed. The session's decision evoked rejoicing among the local cossack body which immediately proposed that the vacant post be given to Vladimir Shumeyko, the first vice premier, who originates from these parts.

On 30 June in Krasnodar the extraordinary session of the kray soviet resolved a single question: "Concerning the crisis of executive power in Krasnodar Kray." The answer was the expression of no confidence in Vasily Dyakonov—the first governor to have been appointed by Yeltsin immediately after the putsch, on 26 August. The kray soviet recommended that the president remove the head [of the administration] who "had been unable to consolidate the social forces for conducting reforms and who had violated the constitution and Russian Federation legislation."

[KOMMERSANT note begins] Before entering politics and becoming a deputy (he holds Radical Democratic views) Dyakonov had headed the Kubansantekhmontazh [Kuban organization for installation of sanitary fittings] concern for which he had been nicknamed among the locals as Vasya, the toilet bowl. [KOMMERSANT note ends].

Various public organizations and parties came along to inspire the session to oust Dyakonov. Zhirinovskiy and Limonov who had come along to exchange their experience tried to break into the stern phalanx of the Kuban cossack council which surrounded the kray soviet building, but they were driven out of the formation. In the opinion of observers, the cossacks who were already moving on to demands for ataman rule in the Kuban, "could have behaved worse," because they did not allow ataman Gromov to speak at the session. But the picket simply grew into a celebration of the session's decision: Dyakonov's retirement is considered here as already signed and sealed, especially since last week General Prosecutor Stepankov sanctioned the instigation of criminal proceedings against the governor who had defamed SOVETSKAYA ROSSIYA correspondent S. Shepunova in an interview with ROSSIYSKAYA GAZETA.

One of the ideas with which the kray soviet leadership went off to Moscow this week, is the proposal that First Vice-Premier Vladimir Shumeyko, a deputy for this kray, who has maintained links with his Krasnodar colleagues, should take up this post. The idea behind this is as follows: Shumeyko keeps his government post and engages in coordinating economic reforms throughout the south of the Russian Federation. Ruslan Gusaruk, economic adviser to the kray soviet, assessed this option as "smart, but nigh improbable"; it is more likely that Nikolay Yegorov, Dyakonov's deputy and his opponent "who seeks stabilization" will be appointed.

Krasnodar Kray Grain Harvest Rated 'Emergency'

*PM0807141992 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 0500 GMT 7 Jul 92*

[Video report by V. Obraztsov and V. Shebalkov; from the "Novosti" newscast]

[Text] [Announcer] The situation at the start of the grain harvest in Krasnodar Kray is now reckoned to be an emergency.

[Obraztsov] On the eve of the harvest several months' worth of precipitation fell on the fields. And there's been hail into the bargain. Previously, it had mainly affected the harvest in the foothills. But this year central regions—the most intensively farmed part of Russia—have been affected. Crops have been wholly or partially flattened over an area of approximately 140,000 hectares. As for the rest, approximately 80 percent of the grain has lodged. Despite these difficulties, the Kuban is still ready for the grain harvest. Because of the emergency situation harvesters and combine harvesters are being brought in from rice-growing regions—where the harvest will be delayed. As in previous years, combine operators from the cities will be taking part. Grain driers are being brought in from other parts of the country. But the main thing is that there are now thousands of people who really own the land where the grain is grown—the owners of around 10,000 peasant and private farms, and workers at the dozens of joint-stock companies that have replaced the old kolkhozes.

Kursk Oblast Drought Affects Harvest

*PM0807140592 Moscow ROSSIYSKAYA GAZETA
in Russian 2 Jul 92 First Edition p 1*

[Report by correspondent Viktor Chemodurov under the "On Eve of Harvest" rubric: "An Ax Is Not an Instrument for a Reaper"]

[Excerpt] Kursk—At the present time the cost of the harvest shortfall caused by the drought in Kursk Oblast is already estimated in excess of 3 billion rubles. The growth of perennial and annual grasses currently being harvested for hay and cured hay are stunted. According to data from a specially commissioned survey, grain crops have suffered considerably in over half the rayons.

The harvest in this zone is even expected to be half what it was last year. The government is faced with the question of reducing the volume of compulsory deliveries of grain to state facilities. [passage omitted]

Dagestan Unable To Cope With Mass Harvests

PM0907150192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 0500 GMT 8 Jul 92

[Video report by D. Beybutov and A. Magomedov; from the "Novosti" newscast]

[Text] [Announcer] Dagestan crop farmers will have to harvest over 160,000 hectares of winter crops. Mass harvesting has begun on the Caspian Plain.

[Beybutov] The harvest season here has been shifted by almost three weeks because of unusual weather conditions. In the foothill areas the harsh spring drought ruined up to 10,000 hectares of crops. The republic's inhabitants are now pinning their hopes on the irrigated land—both here at the Dzherzhinskiy State Farm in Khasavyurtovskiy Rayon, where these pictures were filmed, and in other irrigated farming areas. Nature had another unprecedented trick up its sleeve—the wheat has ripened at the same time.

[Unidentified man] I don't know if we'll have enough capacity to avoid a breakdown.

[Beybutov] The situation is the same throughout Dagestan. There is no hope that the Russian Government's emergency measures on harvesting and harvest safekeeping will rectify matters. It's thought to be too little too late.

International Affairs**Kravchuk Comments on CIS, Nuclear Arms***LD0907202192 Moscow ITAR-TASS in English
1905 GMT 9 Jul 92*

[By ITAR-TASS correspondent Valeriy Shashkov]

[Text] Brussels, July 9 TASS—Ukrainian President Leonid Kravchuk said he will neither idealise nor discount the Commonwealth of Independent States.

"No organisation of such a size and with such a heritage could effectively function in six months after its creation," Kravchuk said in an interview with the Belgian newspaper "LE SOIR."

Kravchuk reiterated Ukraine's adherence to the idea of a nuclear-free state but said that it will continue taking part in decisions considering nuclear weapons.

By signing the Lisbon agreement, Ukraine, like other nuclear republics of the former Soviet Union, committed itself to the Strategic Arms Reduction Treaty, Kravchuk said.

Speaking about relations between Russia and Ukraine, Kravchuk said the Black Sea Fleet is no longer in dispute, adding that the two states are seeking to resolve the remaining minor problems.

Kravchuk also said there is no "Russian problem" in Ukraine and that there never will be.

President Warns Against Chauvinism in Russia*LD0907024192 Moscow Radio Rossii Network
in Russian 1900 GMT 8 Jul 92*

[Text] Ukrainian President Leonid Kravchuk has warned against the growth of chauvinist tendencies in Russia, which threatens turning off the path of democracy and reviving imperial policies. Speaking at a news conference at NATO Headquarters in Brussels, Kravchuk pointed out that Western aid being granted to Yeltsin's government will help to neutralize forces of this kind.

Peacekeeping Troops Prepare To Go to Yugoslavia*LD0907144292 Moscow ITAR-TASS in English
1146 GMT 9 Jul 92*

[By UKRINFORM correspondent Yuriy Scherbak for TASS]

[Text] Kiev, July 9 TASS—The Ukrainian peace-keeping battalion to be deployed in Yugoslavia will consist of 67 officers and 345 soldiers joined in two special mobile companies and a radar platoon. The battalion will be created from a unit of motorised infantry division stationed in Dnepropetrovsk region

and will have Armoured Personnel Carriers and other vehicles, the Ukrainian Defence Ministry said on Thursday [9 July].

The first group of Ukrainian peace-keepers will leave for Yugoslavia in the coming days. The main force will be airlifted there on July 20-25.

Assembly Protests Interference in Dniester*LD0907113592 Moscow Radio Rossii Network
in Russian 0800 GMT 9 Jul 92*

[Text] Members of the Ukrainian National Assembly—an association of ultra-nationalistic parties and movements—are picketing the Romanian Embassy in Kiev. According to the report by the EKSPRES-KHRONIKA Agency, those taking part in the picketing are demanding the cessation of Romanian interference in the Dniester region conflict as well as international recognition of the Dniester region's independence. The pickets are expected to continue for many days.

Ukraine, France To Cooperate in Nuclear Power*LD0207220292 Kiev Ukrayinske Radio First
Program Network in Ukrainian 1857 GMT 1 Jul 92*

[Text] In our view, Ukraine can play an important role both in the production of electricity and in the distribution of it in Eastern Europe. This role can be like the one France now has in Western Europe. Therefore, we are ready to cooperate with Ukrainian specialists and are ready to help them set up competent bodies to ensure the security of nuclear power stations.

This was stated by Dominic Strauss-Kahn, France's Industry and External Trade Minister, at a news conference devoted to the results of his visit to Ukraine. He headed a government delegation which for two days studied power engineering in the republic.

French Company To Build Cover for Chernobyl*LD0207221592 Kiev Ukrayinske Radio First
Program Network in Ukrainian 1855 GMT 1 Jul 92*

[Excerpt] Masyk, first deputy prime minister of Ukraine, has received Jacques Audran, general director for Eastern Europe of the French firm Bouygues. During their conversation—in which Baryakhtar, vice president of Ukraine's Academy of Sciences, and Karasev, general director of Cover, the multidiscipline scientific and technical center, took part—they discussed the firm's proposals to create an airtight defense over the reactor at the Chernobyl nuclear power station which was destroyed by an accident in 1986.

The leaders of the firm are today researching how to develop this facility for radiation protection, the largest in the world, which has to ensure impermeability to radioactive gases and dust; and the protection of subsoil water from radioactive contamination; and in the future,

the possibility of dismantling structures of the destroyed reactor and burying radioactive materials.

Jacques Audran reported that the French Government is ready to provide financial backing for the basic work of building a cover for the giant. [passage omitted]

Border Cooperation Agreement Signed With Poland

LD0507020892 Kiev UKRINFORM in Russian
1608 GMT 2 Jul 92

[Summary] [No dateline as received]—An agreement was signed today in Kovel by representatives of Volyn Oblast and the neighboring Chelm, Lublin, Biala-Podlaska, and Tarnobrzeg voivodships. This opens new prospects for mutually beneficial long-term cooperation between the Ukrainian and Polish border regions. The five-year agreement opens a new stage in the economic links between neighboring peoples. It envisages creation of joint enterprises, modernization of industries, and mutually beneficial use of industrial capacities and their growth, especially in the spheres of production of foodstuffs and construction materials. In the future this will allow the creation of powerful economic and trade centers for a third party and an outlet to the Western market. It is also planned to cooperate in an active way in the scientific-experimental and project spheres and to create new, highly effective forms of professional and higher education.

Creating customs-free territories on both sides of the Ukrainian-Polish border in the region of the international crossing Dorohusk-Yagodin and organizing special banking structures for using Western capital in the development of joint economic contracts will be the guarantee of carrying out what has been planned.

The agreement was signed by Vladimir Blazhenchuk, presidential representative for Volyn Oblast, and Jerzy Drygalski, Polish deputy minister for privatization.

NATO Defense Planning Delegation Visits

OW0907190592 Moscow INTERFAX in English
1809 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] A NATO delegation headed by the assistant NATO General Secretary on defense planning and policy Mr. Legge is on official visit in Kiev. The delegation was received by the first deputy of the Ukrainian Defense Minister Lieutenant General Ivan Bizhan. In the course of the meeting they discussed issues on the organizational structure of the Ukrainian armed forces, reduction of the strategic nuclear weapons stationed on the territory of the republic.

Thursday [9 July] the guests had a meeting with the first deputy of the Chief of the Main Staff of the Ukrainian armed forces Lieutenant General G. Zhivitsa.

The programme of their staying in Kiev envisages visiting of the Ukrainian center of operative-strategic studies, the academy of air defense, and a military unit.

IMF Office Opens in Kiev; Investments Planned

LD0607201192 Kiev Radio Ukraine World Service
in Ukrainian 2200 GMT 3 Jul 92

[Text] An IMF office is opening in Kiev. This was discussed at the meeting between Ukrainian Vice Prime Minister Oleh Slepichev and Milner, the official IMF representative in Ukraine who was appointed recently. They discussed issues concerning priority directions of granting technical assistance by the IMF, giving credits, and also investing in the economy of Ukraine.

National Affairs

Fokin on 'Difficult' Economic Situation

LD1007094292 Moscow ITAR-TASS in English
0920 GMT 10 Jul 92

[By UKRINFORM correspondent Valentin Ver-nodubenko for TASS]

[Text] Kiev, July 10 TASS—Prime Minister of Ukraine Vitold Fokin said the economic situation is difficult. He spoke at a press conference held on Thursday [9 July] during his meeting with heads of enterprises and organizations from the Darnitsa District of Kiev. He was elected people's deputy of Ukraine from this district.

The prime minister said that the time has come, when politics must yield its place to economy, it is necessary to work hard and restore productive relations, first of all with Russia. We should not break off relations with Russia, for Ukraine is interested in these relations.

Speaking about the criticism of his cabinet during the fifth session of Ukraine's Supreme Soviet and demands of his resignation, Fokin said that the government cannot do so. Demands for resignation resounded when prices were liberalized. But actually the government followed and carried out the decision of the Supreme Soviet.

Vitold Fokin elaborated the tasks which his government has to carry out in the near future in order to find a way out of the crisis and stop further fall in production. He also said that they have to prepare ground for the transition and the introduction of national currency—grivni—during next two months.

Ukrainian Deputies Protest Price Rises

PM0907104592 Moscow ROSSIYSKAYA GAZETA
in Russian 8 Jul 92 First Edition p 7

[Report by correspondent Boris Sverdlov: "As Though Prices' Chains Had Been Broken"]

[Text] In the Donbass, as though prices' chains had been broken, salesmen are not having time to change the price lists. A month ago a long white loaf cost four coupons, today it costs 17.5. And for some reason it weighs less. The baking of black loaves has declined fourfold—it is not advantageous, five or six coupons are nothing. Butter is another matter—220 coupons, while cooked sausage is over 200 coupons, raw smoked sausage is twice as expensive, a bottle of milk is 13 coupons, meat is nearly 100 coupons (180 on the market) and there is no margarine. In some stores, to get rid of importunate customers, they have hung up a statement: "There is no sugar and there will not be any." And industrial goods seem to be vying with food goods: A pair of ordinary shoes costs an average of 3,000 coupons, a man's suit costs 10,000-12,000, and a shirt over 1,000. And you cannot buy any furniture even for a good annual income.

The rise in the cost of living has seriously inflamed the Ukrainian parliament. Failing to withstand the onslaught of the deputies at a recent session, the entire government walked out of the hall of sessions. Representatives of the Eastern oblasts were particularly angry. They uninhibitedly criticized the president and the prime minister for their unbridled anti-Russian campaign which has led to the complete collapse of the economy, for the collapse of the reforms, for the inconsistent policy of the absolute majority of ministries, for a selective attitude toward various regions as a result of which the West is well off while the East is an outcast. For instance, in Lvov or Ivano-Frankovsk oblasts prices are half what they are in Donetsk or Lugansk oblasts. Whereas in the West pensioners are beyond the poverty line, in the East they have one foot in the grave.

The cabinet of ministers' concessions to the miners and metallurgical workers, increasing their wages to the point of anarchy for the sake of a peaceful life have brought teachers, doctors, and cultural workers... to their knees. In the industrial regions coupons have simply become candy: 1,500 are handed over for 1,000 rubles. It turns out it is more advantageous to acquire goods in Russia.

Now many people have begun to understand the absurdity of Ukraine, with its economy geared to Russia, leaving the ruble zone.

At the demand of the leaders of the "New Ukraine" movement, the Supreme Soviet resolution includes merciless criticism of the cabinet of ministers for the collapse of the economy, which may very well force it to resign.

Financial State of Enterprises Deteriorating

LD1007101692 Kiev Radio Ukraine World Service in English 2100 GMT 9 Jul 92

[Text] The financial situation of enterprises and organizations of Ukraine is deteriorating with every coming day. According to the data provided by the National Bank. The general sum of debt for the produce and services in the first quarter made up 135 billion rubles. This is explained in the opinion of the chairman of the

Supreme Arbitration Court (?Dmytro Pretyka), whose interview was published by the newspaper 'HOLOS UKRAINY', by the deficiency of payment means, loss of circulating assets by enterprises, and organizations and the debit debts of the CIS enterprises. The debt of the enterprises of Russia and other states of the Commonwealth made up 62 billion rubles on 1 April. In the view of (?Dmytro Pretyka) all that demands a clear cut subordination among the states and the procedure of settling conflict during the conclusion of agreement and contracts.

Coupons Losing Value Against Russian Ruble

LD0407041192 Moscow Radio Rossii Network in Russian 1200 GMT 2 Jul 92

[Text] As reported by RIA, the market rate for the Ukrainian reusable coupon is dropping in relation to the ruble. For 100 rubles they are now giving 125 coupons in Kiev. The inhabitants of Ukraine need rubles for a subsequent freely convertible currency exchange or for purchasing industrial goods and products in Russia which have turned out to be significantly cheaper here. Moreover, exchange points in savings banks, where coupons are exchanged at the official one-for-one rate, and where they also take 5 percent commission, are empty. It is being forecast that in one to two months' time one and one-half or more coupons will be changing hands on the black market for one ruble. In the view of the agency, the fall of the coupon rate will accelerate the liberation of prices in Ukraine from 1 July for the majority of the most important foodstuffs.

Training of Inspectors for Weapons Destruction

LD0407070692 Kiev UKRINFORM in Russian 1939 GMT 2 Jul 92

["While Getting Ready To Implement the Treaties"—UKRINFORM headline]

[Text] [No dateline as received]—In order to implement the treaties on the reduction and restriction of weapons and personnel, there is to be mutual inspection activity of the states participating in the treaties. With the objective of qualitative preparation of the Armed Forces of Ukraine for the treaties' implementation, the training of inspectors, observers, and specialists to accompany foreign inspection groups has been organized on the basis of some military schools. Practical training of specialists in liquidation and requalification of weapons will be carried out at the reduction sites for requalification (certification) of weapons and military machinery.

Kravchuk Hosts Symposium on Constitution

LD0507140792 Kiev Radio Ukraine World Service in English 0000 GMT 5 Jul 92

[Text] Yesterday [4 July] Ukraine's President Leonid Kravchuk played host to participants of the international symposium Constitution of Independent Ukraine

which has gotten underway in Kiev. He expressed hope that the conclusion and practical recommendations of this forum will be of help during the discussion of the draft of Ukraine's Constitution which will soon be published in the press. Leonid Kravchuk also singled out that the discussion of the draft will become a period of great legal education and it would be a good thing if it would consolidate the people of our young state.

'Mass Evasion' of Army Call-Up Reported

LD1007095392 Kiev Radio Ukraine World Service
in English 2100 GMT 3 Jul 92

[Text] More than 600 recruits, actually every seventh or eighth, haven't appeared at the call-up stations of the Zaporozhye region. Such a mass evasion from the army service has never been observed here before. The employees of the military commissariat have to resort to the help of (the) procurators office and (the) militia to look for those who evade the service. According to the military commissar of the Zaporozhye region, (?Volodymyr Cherkov), that is the result of more than a seven-year-long humiliation and blackening of the army, non-statute relations which have been inherited by the new Ukrainian Army, legal indefiniteness of many issues of military construction in independent Ukraine. [sentence as heard] Despite such a critical situation Zaporozhyeans [as heard] have in the main fulfilled the plans of the spring call-up to the Armed Forces of Ukraine.

Troops Dismissed for 'Gross Violations'

LD1007090392 Moscow Radio Rossii Network
in Russian 0100 GMT 10 Jul 92

[Text] Judging from a UKRINFORM report, the struggle against abuses by officials has started in Ukraine. According to the information received by UKRINFORM from the press service of a Ukrainian ministry [not further specified], a whole group of military headed by Major General Yakunov has been dismissed from their posts by order of the minister of defense. The officers have been accused of gross violations of the Ukrainian legislation, which forbids the taking across the border of a large range of goods, as well as squandering military property and illegally using special-purpose equipment and personnel under their command.

Proceedings have been instituted by the Military Procurement on the basis of the abuses.

Collegium Reviews Armed Forces Management

LD0207171292 Kiev UKRINFORM in Russian
1807 GMT 1 Jul 92

[Text] [No dateline as received] A meeting of the Military Collegium of Ukraine's Defense Ministry, chaired by Ukrainian Defense Minister Colonel-General Konstantyn Morozov, took place on 27 June 1992.

The collegium examined issues relating to the process of forming management structures of the armed forces in accordance with the plan for defense and the building up of the armed forces of Ukraine, adopted by the Ukrainian Supreme Council on 11 October 1991.

They decided that this issue should be further examined with the involvement of the leading management structures of the Defense Ministry, of military districts, and of units of Ukraine's armed forces.

Proposals will be submitted to Defense Council of Ukraine for examination.

Press Service of the Ukrainian Defense Ministry.

Security Service Developing Routes to Russia

OW0507165892 Moscow INTERFAX in English
1435 GMT 5 Jul 92

[Transmitted via KYODO]

[Text] Russian-Ukrainian borders will stay "transparent", but the main routes must be equipped with checkpoints. The security service in the Sumy region has already begun work to develop a control system on auto routes, said Colonel Nikolay Smazhnik at a press-conference in Sumy.

Changes in Military Uniforms Come Into Effect

LD0407071192 Kiev UKRINFORM in Russian
1939 GMT 2 Jul 92

["Golden Trident on the Uniform of the Military"—UKRINFORM headline]

[Text] [No dateline as received]—The order of the defense minister of Ukraine on temporary changes to the military uniform for 1992 to 1995 came into effect on 1 July 1992. The order establishes carrying some items of the military uniform with the national symbols of Ukraine. An element of the smaller coat of arms of Ukraine—the golden trident—will appear now on the cockades of generals, officers, ensigns, and servicemen carrying out additional military service in the Armed Forces as well as on the cockades of the dress uniforms of servicemen for a fixed period of service. An embossed image of the trident will now be featured on the uniform buttons of our military men. According to the order, the troops of the Kiev Garrison must switch to carrying signs [znaki] with the Ukrainian symbols by 1 August and the whole personnel of the Armed Forces must switch by 15 November 1992.

With the objective of economizing and conserving material resources, in preparing the stock of the new pattern and in forming a more rational use of the property of the troops, the same order also introduces changes to some norms of supplying servicemen with uniforms.

Government Sets Up Commission on Refugees

*LD0507121392 Kiev Radio Ukraine World Service
in English 2100 GMT 4 Jul 92*

[Text] A commission on refugees under the Cabinet of Ministers of Ukraine has been set up in line with a government decree. It is headed by Vice Premier Oleg Slepichev. It is to issue the refugee status to people arriving on the territory of Ukraine as well as coordinating the work of central and local bodies of power and bodies of regional self-government in working out and realizing measures for their temporary settlement, job placement, and other assistance to refugees. The decisions of the commission, issued within the framework of its competence, are obligatory for the authorities, enterprises, establishments and organizations.

Dniester Refugees To Get Financial Aid

*LD0907090592 Moscow Radio Rossii Network
in Russian 0700 GMT 9 Jul 92*

[Text] The Ekspress Khronika agency reports that the Ukrainian Cabinet of Ministers has issued a decision on refugee status. According to the decision, this status will be given to the inhabitants of the Dniester region that have had to leave their homes and are now on Ukrainian territory. The refugees get financial aid and are given housing and jobs.

Greek Catholic Radio Starts Broadcasting

*LD0207182992 Kiev UKRINFORM in Ukrainian
1449 GMT 1 Jul 92*

[By UKRINFORM correspondent Igor Bachun]

[Excerpt] Lvov, 1 Jul—"You are listening to Radio Resurrection" [vy slukhayete Radio Voskresinnya]—this call sign can now be heard daily by listeners in Ukraine and the Far East. The broadcasting editorial office, which was set up on the initiative of Cardinal Lyubachivskyy, head of the Greek Catholic Church, has started broadcasting daily programs from Lvov.

Previously, these religious and cultural programs in Ukrainian were transmitted weekly from Monte Carlo on short wave. Now they are also broadcast on medium and ultra-short wave bands from the Lvov radio center.

Our programs are designed for people of various age groups—children, teenagers, young people, and adults—says Mykhaylo Dymyd, director of Resurrection. They are aimed at propagandizing the Christian viewpoint and are addressed to everyone regardless of the religion. The programs include news of the church's life, and religious and socio-moral problems. There will be regular readings from the gospels with comments by experts and information on the church's holidays. [passage omitted]

Byelarus

Shushkevich Previews Hopes for CSCE Meeting

OW0907173692 Moscow INTERFAX in English
1629 GMT 9 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] "I hope to find in the CSCE meeting a reliable safeguard for our young state", the Chairman of the Byelarusian Supreme Soviet Stanislav Shushkevich said in his Wednesday's [8 July] live television address. On Thursday morning he left for Helsinki for the meeting of 52 states.

When asked what the Byelarusian leadership thought concerning the prospect of a so-called Polesie Republic on the territories of Ukraine and Byelarus with the center in Pinsk, Shushkevich replied he saw nothing wrong with meeting the national and ethnic aspirations of the district's population, but there was no question of setting up any new administrative unit.

On the problem of new currencies introduced by the Baltic states resulting in a flood of roubles into Byelarus S. Shushkevich said that since Byelarus is short of cash, that could hardly be a misfortune. He went on to assure the people of his republic that "there is no threat of famine", for the authorities "will certainly be able to organize harvesting". The problem of grain supply has been solved for this year.

Moldova's Mosanu Pays 'Brief, Sudden Visit'

MK0707130792 Moscow NEZAVISIMAYA GAZETA
in Russian 7 Jul 92 p 3

[Igor Sinyakevich report under the "Mission" rubric and the general heading: "Dniester Conflict Has Acquired New Quality"]

[Text] Last Friday [3 July] Moldovan Supreme Soviet Chairman Alexandru Mosanu paid a brief, sudden visit to Minsk. It has been learned from informed sources that an accord on the visit was reached as the result of a telephone conversation held the previous day between Shushkevich and Mosanu. The Moldovan side's initiative was dictated by an interest in the Byelarusian Supreme Soviet Presidium's recent statement which spoke of the republic's readiness to mediate in settling interethnic conflicts on the territory of the former USSR. The statement had been preceded by the appearance in the Byelarusian press of made-to-order articles designed to prepare public opinion for such a shift in the republic's policy. It is by no means a superfluous measure, if you take into account the fact that the inhabitants of stable Byelarus have a strong desire to distance themselves from "bloody" regions. But public opinion outside Byelarus has always been of great significance to the

republic's leadership. Remembering that the Commonwealth came into being on Byelarusian soil and that the CIS Coordination Center is in Minsk, the republic could no longer remain uninvolved in the armed conflicts in the Caucasus and Moldova. In addition, people here are inclined to regard the peacemaking efforts of Byelarus as a means of enhancing international prestige.

Hitherto actions in this direction have mainly been undertaken within the CSCE framework. On the initiative of Foreign Minister Petr Kravchenko it is planned to hold a CSCE conference on Nagorno-Karabakh in Minsk, and it is proposed to locate there the headquarters of a new institution of this association—the CSCE General Commissariat for Problems of Ethnic Minorities.

As regards peacemaking efforts within the CIS framework, this is the first time such a step has been taken, and it has not been prepared in any way. The well-known statement by the Supreme Soviet Presidium was designed to have a psychological effect, but it in no way attested that Minsk has a specific plan for settling conflicts. This accounts for the Byelarusian side's efforts to "hush up" Mosanu's visit. According to unofficial data, when the program of the visit was being drawn up, the Moldovan side proposed holding a news conference on the results of the talks. Shushkevich opposed this, however. What is more, Mosanu's visit was completely closed to the press. Not even state television or the BELTA news agency covered the protocol part.

Nevertheless, it is possible to call the talks successful. An accord was reached on the participation of Byelarus in settling the conflict in the Dniester region. Mikhail Slemnev, chairman of the Supreme Soviet Commission for Interethnic Relations, has been made responsible for the conduct of the talks process.

The news program of the "Ostankino" television channel carried information that Byelarus is ready to send its troops into the conflict zone to separate the warring sides. But NEZAVISIMAYA GAZETA possesses essentially the opposite information. According to Slemnev, it is not expedient to send in subunits of Byelarusian troops, as this is contrary to the Declaration of Sovereignty of the Republic of Byelarus, which enshrines the principle of neutrality. It makes more sense to use UN troops for these purposes. According to the talks participants, the Moldovan side hinted at the use of Byelarusian troops in the conflict zone, but Shushkevich made it clear that this is impossible under national legislation.

A considerable contribution to the success of the talks was made by the fact that Byelarus refuses to recognize the Dniester Republic, whose numerous delegations regularly visit Minsk. (Incidentally, Byelarus also refuses to recognize the present Georgian leadership, considering it illegitimate). Shushkevich has repeatedly declared that it is important to defend the rights of ethnic minorities by making contact with the lawful government, not by supporting separatist trends.

Taking the aforesaid into account, it is possible to assume that it will be harder for Byelarus to find a common language with Russia and the Dniester region than with Moldova. But Minsk's complete lack of interest in aiding and abetting a particular participant in the conflict and also the pacifying approach characteristic of Byelarusian politicians inspire hope of success for the republic's peacemaking mission.

Discrimination Against Caucasians Viewed

LD1007022192 Moscow Radio Rossii Network in Russian 0100 GMT 10 Jul 92

[Text] Here is a RIKa report. Speaking on national television, Byelarus Supreme Soviet Chairman Stanislav Shushkevich described as provocative the attempts by certain political forces to prompt the government towards discriminatory measures against guests from Transcaucasian republics. The introduction of any nationality-based restrictions on the rights of citizens, who come to Byelarus, is illegal, he stressed. The individual leaders of law enforcement bodies who have supported such proposals, deliberately or not, are violating international legal practice. Sovereign Byelarus will not permit any deviations from it, Stanislav Shushkevich said.

Kebich Promises Careful Pricing Policy

OW0907173792 Moscow INTERFAX in English 1629 GMT 9 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] Speaking today before local executives, the Byelarusian Premier Vyacheslav Kebich said that "vast credit resources had formed in the republican economy because of many enterprises' insolvency". The resources mentioned overshot the mark of 200 billion rubles by July 1, which is roughly equal to republic's annual budget. Vyacheslav Kebich said the government "had to grant the credits, otherwise hundreds of enterprises would have already been paralyzed".

The Premier pointed out the fact that incomes to the budget came very slowly. At his assessment, the budget would remain at a deficit. Under the agreement that came into force on July 1, C.I.S. Industries' obligations are satisfied through governmental structures. The Premier said this system was capable of easing many difficulties in the economies.

Vyacheslav Kebich said that his government would stick to its careful pricing policy, trying to restrain prices of food staples in the first place. He said they would not allow developments like in Ukraine, for the ruble zone, in his opinion, must survive. "We do not seek to destroy the zone, but, if forced, we will have to introduce a harder Byelarusian currency", said Vyacheslav Kebich.

The Premier said Byelarus would have to purchase at least 2.5 million tons of grain. The government plans to buy the grain from Kazakhstan, which, the Premier believes, will ask for "technical assistance and manpower for the harvest, and consumer goods in exchange. [quotation mark as received]

Kebich Details Agreement With Kazakhstan

OW0707173192 Moscow INTERFAX in English 1623 GMT 7 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] The Byelarusian Premier Vyacheslav Kebich told those present at the press conference in Minsk today about an agreement with the Kazakh President Nursultan Nazarbayev on supply of 2.5 million tons of grain to Byelarus this year. The Premier said he had received the Russian vice premier Chernomyrdin's consent to satisfy Belarus' needs in fuel and lubricants for the third quarter of the year.

Vyacheslav Kebich told newsmen that 5.5 billion rubles assigned by Russia would be used to pay its debt to the Byelarusian military industry which amounted to 8 billion rubles.

Resolutions Adopted for Protection of Servicemen

LD0607160892 Moscow Mayak Radio Network in Russian 0700 GMT 4 Jul 92

[Text] The Byelarus Government has adopted one more resolution for the protection of officers. The resolution forbids the transfer of any servicemen to the reserve who do not have accommodation. Thanks to this resolution, officers' families will not find themselves facing this difficult problem. Incidentally, according to a Russian Information Agency report, there are more than 14,500 officers in Byelarus today without accommodation.

Parliament Asks Soldiers To Come Home Slowly

LD0707154692 Moscow Radio Rossii Network in Russian 1200 GMT 7 Jul 92

[Text] The Byelarus Supreme Soviet Presidium has appealed to Byelarusian servicemen throughout the Commonwealth to maintain restraint and not immediately return to the republic, which is at the moment not able to absorb all of them or provide them with a place to serve. The parliament and government are doing everything possible to take as many native servicemen as possible in their homeland; however, the appeal notes that with the substantial reduction in forces currently stationed in Byelarus this is an extremely difficult job.

Moldova

Snegur Leaves for Helsinki, To Ask for Forces

LD0807203192 Chisinau Radio Chisinau Network
in Russian 1800 GMT 8 Jul 92

[Summary From Poor Reception] A Moldovan delegation led by President Snegur has left for Helsinki to take part in the CSCE summit. In an interview at the airport, Snegur said that Moldova's participation in the summit confirms that Moldova has firmly embarked on the path of independence. Snegur says "it is known that the armed conflict continues to take place in our republic. I will try to touch upon this issue one way or another." "I will also try to ask them to send CSCE forces here to separate" the conflicting sides.

Talking about possible contacts with the leaders of some countries, Snegur noted that certain steps will be made in this direction. Replying to a question on the latest cease-fire agreement, Snegur said it is a part of "recent efforts directed at a political settlement of the conflict. The removal of hardware and other types of weapons is now being carried out." "I would once again like to address deputies of the republic's eastern rayons to take part in the parliament, which will consider all draft laws on the juridical status of eastern rayons. This time I am leaving with a lighter heart than ever before."

Snegur noted Moldova's desire to stop the bloodshed and "to carry out economic reforms, diplomatic activities, and deal with other problems faced by the leadership and the people of the republic."

The Moldovan delegation was seen off by Supreme Soviet Chairman Alexandru Mosanu; Ion Khadyrke, first deputy chairman of the parliament; Prime Minister Andrey Sangeli; and other officials.

Government Denies Breaking Cease-Fire Agreement

LD0907193592 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 9 Jul 92

[Video report by M. Sokirke from Moldova; from the "Novosti" newscast]

[Text] We continue to receive contradictory reports from the Dniester region. Both sides accuse each other of gathering forces, and each side claims that, according to reconnaissance reports, the other side is concentrating tanks. At the same time, Moldova claims it does not have tanks at all.

[Sokirke] The press center of the Moldovan Defense Ministry circulated a statement today that the information reported by ITAR-TASS that the republic's army is not observing a cease-fire and is admittedly preparing a new offensive are obvious disinformation. According to an agreement, Moldovan forces did not open fire on the whole length of the frontline. Yesterday morning, troops and armored vehicles were removed. The same was also

done by the separatists. Yesterday afternoon, however, the Dniester region leaders returned mercenaries and equipment to the old positions in the Bendery zone and started firing at the police building and houses in the Leninskiy micro-rayon.

[Bucharest ROMPRES in English at 1719 GMT on 9 Jul reports the following in a Chisinau-dated item: "Despite the cease-fire understanding, firing with various types of weapons has continued during the past twenty four hours in the conflict zones in the eastern districts of the Republic of Moldova. The correspondent of MOLDOVA PRES was informed by the Press Office of the Moldovan Ministry of the Interior that the headquarters the police at Tighina had been systematically fired at with various weapons, including grenade and mine launchers. After 2100 on Wednesday [8 July], the police buildings nearby Cosnita were shot at by machine guns from armored vehicles. Firing was stopped at Tighina, on Thursday at daybreak."]

Cease-Fire 'Beginning To Take Effect'

PM0907205592 Moscow IZVESTIYA in Russian
10 Jul 92 Morning Edition p 1

[Report by Svetlana Gamova and Eduard Kondratov: "Moldova: Combat Hardware Leaves Positions But Firing Goes On"]

[Text] Even though the firing is going on in eastern Moldova, the cease-fire order signed by representatives of the armed forces of Moldova, the Dniester region, the Russian military commission, and the 14th Army command is beginning to take effect....

One of the conditions is that heavy equipment and guns must be withdrawn immediately. According to the military observers' information, units of the Moldovan national army stationed in the Bendery region were first to organize equipment convoys and begin the withdrawal from the firing zone.

"We have carried out the accord precisely," General I. Costas, Moldovan defense minister, said. "We have removed combat hardware not just from Bendery but also from Cosnita and Cocieri. However, the Dniester side has not taken similar actions. It is still presenting us with a condition—the removal from Bendery of the police detachment representing Moldovan constitutional authority, and that is unacceptable to us."

Tiraspol reports, however, that Dniester guardsmen began implementing the order on the evening of 8 July.

There has been a meeting between commanders of the Dniester armed formations and the Russian military commission in the neutral zone in the village of Limanskoye in Odessa Oblast. They discussed the mechanism for the disengagement of the forces.

But removing heavy guns from their field positions is just the first step. What is the next? According to the

representatives of the four states' mixed commission, that step could be to set up observation posts along the entire firing line staffed by military observers who stopped work after the events in Bendery. Their main base has now been moved to Chisinau and they will be ferried from there to the observation points by military helicopter and road.

Both the sides involved in the conflict believe that the only real guarantee of the cessation of hostilities is the introduction of disengagement forces into their zone. But according to Costas, Moldova is categorically opposed to 14th army subunits' taking part in them. G. Marakutsa, leader of the left bank region, has stated on this question that the troops in the buffer zone should come from any state except Moldova and Romania.

There is good news. The rail blockade has been lifted and fuel and other essential freight has entered Moldova. The republic's enterprises, 62 percent of which have been forced to stop work, will be able to start up again.

Joint Units for Disengagement of Forces Decision

*AU0807080992 Bucharest Radio Romania Network
in Romanian 1700 GMT 7 Jul 92*

[Septimiu Roman report from Chisinau]

[Text] The parliament of the Republic of Moldova, meeting in its eighth session, during this morning's session adopted a decision regarding the establishment of joint units for the disengagement of armed forces involved in the conflict in the eastern rayons of the Republic of Moldova. Here is the text of this document presented by the president of the Commission for Human Rights and Interethnic Relations, Mr. Alexandru Arseni:

[Begin Arseni recording] The decision of the parliament of the Republic of Moldova regarding the establishment of joint units for the disengagement of armed forces involved in the conflict in the eastern rayons of the Republic of Moldova

In connection with the continuous worsening of the situation in the conflict zone in the eastern rayons of the Republic of Moldova, and in order to preserve a cease-fire and the disengagement of armed forces involved in the conflict, in accordance with the decision taken by the presidents of Moldova, Romania, Russia, and Ukraine in Istanbul on 25 June 1992, the parliament of the Republic of Moldova decides:

1. To call on the parliaments and heads of states of the Republic of Byelarus, Bulgaria, Romania, the Russian Federation, and Ukraine to join forces with the Republic of Moldova and together participate in establishing the joint units for the disengagement of armed forces involved in the conflict.

2. The Ministry of Defense of the Republic of Moldova will in three days present the outline, form, and details of

the disengagement forces' deployment in those areas and organize the housing of the guests.

3. The Ministry of Foreign Affairs of the Republic of Moldova should create appropriate conditions for the functioning of the political mechanism agreed on at the meeting of the foreign ministers of the four countries, and first and foremost the activity of the joint commission and of the military observers.

4. The Ministry of Finance of the Republic of Moldova should ensure the necessary funds for expenses connected with the deployment of the disengagement forces.

5. The Government of Moldova should strictly supervise the implementation of the present decision.

6. The parliament of the Republic of Moldova calls on all citizens of the republic and on the forces involved in the conflict to support the policy of the parliament, president, and the government of the republic engaged in finding peaceful and parliamentary solutions to the conflict.

7. The present decision comes into force on the date that it is adopted. [end Arseni recording]

After the decision was adopted, the prime minister of the republic, Mr. Andrey Sangeli submitted the names of candidates for the parliament's approval to the ministerial positions in the new cabinet of ministers. The prime minister suggested that several members of the government that resigned should remain in the composition of the new government.

In the afternoon session, the following ministers' positions were confirmed: deputy prime ministers, Valentin Cunev, Nicolae Olenic, and Mihai Coscodan; the minister of interior, Constantin Antoci and the minister state secretary, Gheorghe Gusac. The prime minister mentioned that the other candidates will be presented after additional consultations and the return from Helsinki of the delegation of the Republic of Moldova, headed by President Mircea Snegur.

After a declaration of the parliament was read, the session was adjourned until Tuesday, 14 July.

Draft Resolution on Withdrawing Troops Noted

*LD1007093192 Moscow Radio Rossii Network
in Russian 0800 GMT 10 Jul 92*

[Text] A session of the commission on the withdrawal of combat equipment and armed formations from the Bendery region took place on 9 July. Gennadiy Varfolomeyev reports from Tiraspol:

[Varfolomeyev] The commission has adopted a draft resolution, the essence of which is in the following: the Russian and Moldovan Armed Forces are to form a ring around Bendery. The armed formations of Moldova and the Dniester region are to be withdrawn from the town,

and Russian airborne regiment No. 300, which is currently stationed in Chisinau, is to be brought in to replace them. The militia of a third country is to be brought in to replace the Moldovan police and the Dniester region militia. The draft of this resolution can be implemented if it is adopted by the Russian and Moldovan presidents.

Meanwhile, shooting goes on in Bendery. There are wounded. At 2200 on 9 July, there were exchanges of fire in the area of a silk-weaving combine, the DOSAAF [voluntary society for strengthening the country's defense capability] building, and school No. 15. Sporadic fire took place during the night from 9 to 10 July.

The past night passed calmly in Dubossary and Grigoriopol.

The Dniester region government adopted a decision at its session on 9 July to set up a state enterprise of Dniester region power-engineering. Thus, such power-engineering enterprises as the Moldovan state regional electric power plant, as well as eastern and southeastern power networks, are to leave Moldova's power system.

This is Gennadiy Varfolomeyev, for Russia's Radio news service.

Defense Minister Comments on Cease-Fire Accord

AU0907115292 Chisinau Radio Chisinau
Network in Romanian 2000 GMT 8 Jul 92

[Interview with Moldovan Defense Minister Ion Grigore Costas, by unidentified correspondent on 8 July; place not given—recorded]

[Text] [Correspondent] Mr. Defense Minister! Tell us, please, about the results of this second meeting of the representatives of the armed forces involved in this conflict, the people who have signed the cease-fire and disengagement order.

[Costas] I can say at this moment that the first step has to be made by the military units involved, the armed men. They have to stop shooting. This is the first condition, and this is why we cooperated with the Russian Army representatives. We have come to an agreement with respect to [?placing] the heavy armament in one area and removing it from the front line [words indistinct].

[Correspondent] You reached this agreement yesterday and 24 hours have passed. How is this agreement being implemented?

[Costas] Of course, the agreement has not been respected 100 percent, and there are some problems in this process of stopping the shooting, a long-term procedure, and it cannot be achieved in one or two days. It will take a few days.

[Correspondent] I heard the declarations made by the heads of Bendery and Dubossary that fully respecting this order for a cease-fire and disengagement of heavy weapons is not convenient for the Republic of Moldova.

Thus, I ask your opinion about this as the disengagement and cease-fire also depends on these people.

[Costas] Yes, that is clear. If they are not interested in the cease-fire, the rules will not be observed.

[Correspondent] In that case, this mechanism for halting the conflict could also be in danger.

[Costas] Of course. We have to understand that [?they] do not prefer to stop the shooting and bloodshed. We think the people have to definitely stop shooting. Only then can we move forward to the second and third steps, for politicians, parliament, and leaders to solve the conflict in a peaceful way.

[Correspondent] In your opinion, what was the intention of the Russian representatives in these two days of negotiations? Do they sincerely intend to help us? What was their real contribution?

[Costas] I would say that they refuse to [word indistinct] on the cease-fire issue. There are certain moments that require their assistance, however, and we hope that the problems will be overcome and the cease-fire will be implemented. I do not know how long it will take, [words indistinct] but we sincerely hope that solutions will be found.

Snegur Criticizes Ostankino TV Reporting

LD0507160192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1445 GMT 5 Jul 92

[From the "Novosti" newscast presented by Tatyana Mitkova]

[Text] [Mitkova] We have simultaneously received two denials concerning yesterday's report from the Dniester region, which had an interview with Aleksandr Lebed, the commanding officer of the 14th Army. To recap, Lebed said Romanian soldiers are involved in the Dniester conflict and that he has factual evidence. The denials have come from the Romanian and Moldovan defense ministries, with the latter objecting to claims of Moldovan Army aggression on the Kitskan bridgehead. On the whole, every report emanating from the Dniester region is followed by a denial. It is unlikely that journalists from whatever kind of media, including Ostankino, go to the Dniester region to tell lies; they can do that at home. Let me just quote an interview that we have with Romanian Foreign Minister Nastase.

Asked why Romania is taking part in the Dniester talks, Nastase said: "Romania has to choose. We must play a part in the conflict either through the involvement of Romanian diplomats, or if that does not happen, with our consent or otherwise, because the truth is clear to the whole world through the involvement of Romanian volunteers. We cannot fail to be involved in the problems of Moldova," the Romanian foreign minister said.

We have just received a statement from Moldovan President Mircea Snegur. It is broadcast here in full.

[Begin Snegur recording] The Moldovan people are experiencing a tragic phase in their history. The collapse of the USSR and profound social and economic changes are proceeding painfully. This is breeding enmity and aggression in those who want to return us to totalitarianism and obscurantism at any price. Every day people are dying. Villages and towns are being destroyed. The flood of refugees is increasing. In such conditions, there is no task facing the Moldovan leadership or our CIS colleagues more important than halting the bloodshed and seeking a sensible compromise. Our people on both sides of the Dniester pinned great hopes on the outcome of my meeting in Moscow with Russian President Boris Yeltsin. One might think that for the time being the journalists at the Ostankino Television Company should have excluded bias and tendentiousness from their coverage of events and promoted efforts toward a cease-fire and dialogue. Unfortunately this TV company, at a difficult time for all of us, did not change its style of coverage of events in Moldova. We are already almost accustomed to the fact that reports from Tiraspol by a journalist not accredited in our country have been creating the appearance, for tens of millions of television viewers, of another Moldovan state being created along the Dniester, supposedly to protect the Russian community. In addition, unscrupulous journalistic tricks are being used to portray Moldova to the entire world as the enemy and aggressor. This is a country that has never in its history attacked its neighbors and does not have one soldier on other people's land.

Strangely, with Ostankino's assistance, the role of peace-makers and defenders of the people is being assumed by advisors and directors of a communist or fascist hue [krasno-korichnevo go tolka], who between their provocations in the eastern parts of our country besiege Ostankino to cleanse it of cosmopolitans and other bourgeois elements, and that is in quotes.

Another thing amazes me. Every evening, with surprising consistency, crude and amoral lies pour from the screen: involvement in the conflict of Romanian volunteers and airmen, unseen by anyone anywhere; Moldova's use of tanks and other weaponry that we do not possess; this and other overstated and selective falsifications and one-sided depictions of the casualties of this tragic conflict amount to aggressive and dishonest discreditation of our state policy and sows mistrust among the partners in the CIS.

At the same time, there is silence about the atrocities and the abuse of the public by the Tiraspol military dictatorship—they have been documented and confirmed—and the involvement in the conflict of the 14th Army. An example of Ostankino's lack of interest in promoting the negotiations process is the superficial coverage of my briefing to journalists on my meeting with the Russian president, at which we assumed the role of guarantors of a cease-fire, and then close coverage of a categorical

statement from the commanding officer of the 14th Army, General Lebed, who before the entire world detracts from the efforts of two heads of state. I would like to draw the attention of the international community to the fact that the troublemaking comments of General Lebed—which neatly take their place in Ostankino's information war—are nothing less than an attempt to morally justify possible armed attacks against the rest of our republic and maintain tension.

In these circumstances, the fact that the Ostankino television company pays virtually no heed to our rebuttals is profoundly immoral. We have every reason to declare that for it, lies have become a deliberate means of implementing the policy of the most conservative and revanchist groups. I hope that with the help of the democratic forces in Russia, and of its President Boris Yeltsin, the leaders of other countries will summon up sufficient strength from within themselves to overcome this critical situation. We know that in addition to us, all people of goodwill are suffering—all who truly desire a peaceful solution to the conflict. We also know those who are fanning the flames of civil war and sowing enmity and mistrust. It is unfortunate, but the Ostankino television company is in the front line of these dark forces. [end recording]

[Mitkova] That was a statement by Moldovan President Mircea Snegur, for Channel 1 of Ostankino.

By the nature of their work, journalists do still rely on the facts when broadcasting information. Obviously, and more frequently than we would like, this information concerns various people's political interests. First and foremost we hope to continue to follow the facts rather than short-term political considerations. Sergey Yegorov reports from the Dniester region.

[Yegorov] Mircea Snegur's visit to Moscow and his meeting with the Russian president were immediately viewed in the Dniester region as a propaganda trick and an attempt to buy time. This assessment appears tendentious at first sight, but it has turned out to be correct. Yesterday at 1900, the order to cease firing and deploying hardware came into force on the Dniester side. The appropriate agreement had been reached with Chisinau. At 1910, the right bank opened fire with howitzers and mortars. Two Uragan launchers were brought up to shell the Dubossary hydroelectric station. During the night, Alazan missiles were used to shell Tiraspol, the capital of the Dniester-Moldovan Republic. Moldovan servicemen on the Cociery and Cosnita bridgeheads were issued several sets of ammunition each. The Moldovan authorities want to fight no matter what happens. The Dniester region is ready to fight back.

[Mitkova] Until now, all these reports from the Dniester region have been rejected by Moldova in word only. For the time being, let me draw your attention to the fact that on 10 July at 1915 on Ostankino Channel 1, a film will be shown entitled: The Chronicle of an Undeclared War. It is about the events in the Dniester region.

Snegur Interviewed on Dniester Conflict

PM0807152692 Amsterdam DE VOLKSKRANT
in Dutch 6 Jul 92 pp 1, 4

[Report on interview with Moldovan President Mircea Snegur by Cees Zoon in Chisinau; date not given]

[Text] Chisinau—The talks to find a solution to the armed conflict in Moldova continue, as does the fighting. "If people stand face to face with each other with so many weapons in their hands," Mircea Snegur said, "the shooting is no longer an accident. The question is: Who controls the soldiers and other armed groups?"

Talking is the only chance of reaching a solution, the Moldovan president reiterated for the umpteenth time. That is why he is continuing his series of meetings with Russian President Yeltsin. But during a conversation in the room where he receives visitors in the parliament building in the capital, Chisinau, President Snegur stressed that he has serious doubts about the authority that Yeltsin enjoys in the separatist part of Moldova and among the reactionary forces in Moscow itself.

"The problems in the Dniester region have been caused by Moscow. When we adopted the language law in 1989 which declared Romanian to be the official language, strikes led by members of the Russian minority broke out immediately in the Dniester region. Later we discovered that these were instigated by Moscow, by the ideologists of the Communist Party.

"Later too Moscow openly threatened us. During a session of the Federation Council Gorbachev said: 'If you do not agree to our proposals for the Commonwealth of Independent States, major problems are waiting for you in the Dniester region.' In the local press much has been published about the involvement of the reactionary communists in Moscow in the negative developments here. The ideologists received support from a group of local figures, and later important leaders such as Vice President Rutskoy joined the separatists."

The aim of the separatist movement was not the protection of the Russian minority in the Dniester region. That was only an argument, behind which the imperial power of Russia was hidden. The "Soviet Socialist Republic of the Dniester Region" was able to call on the 14th Army of the former Soviet Union which has its base in the rebel capital of Tiraspol and which by now was under Russian command. "The involvement of the army has been clear from the beginning. On the pretext that they were defending their families and houses the officers joined in the fighting and they are continuing to do so."

After heavy fighting in the border town of Bendery two weeks ago, the leaders in Tiraspol have further escalated their demands: They will not settle for anything less than full independence. But that is something that Snegur will not discuss. "We have to ignore Tiraspol's demand and get to work on the proposals which the parliament in

Chisinau has made. In my view a compromise is still possible. But then we have to talk to the real politicians in the Dniester region, not with those with ambition and with extremists like Smironov, their leader."

The foreign ministers of Moldova, Russia, Ukraine, and Romania hold regular consultations to find a solution to the conflict. A new demand of the separatists is that the Romanians be excluded from the talks. "I am totally opposed to that. Romania probably has a greater interest in the issue than Russian and Ukraine. It is no secret that I consult with Romanian President Iliescu and other leaders in Bucharest every day. According to the propaganda on Russian television and in the Russian press, Romania is supplying us with arms. That is a downright lie."

The possible reunification of Moldova with Romania, to which it belonged until 1940, is mentioned by the insurgents in the Dniester region as the most important reason for their struggle. "Reunification is only an excuse for the creation of their own state," Snegur said. "First there was the argument of the language law, then they did not like our flag; they are always coming up with new arguments. Now their main argument is the so-called Romanian problem. But it is well known that among the leaders in Moldova there is agreement that there are and will continue to be two Romanian states, Romania and Moldova. That idea is generally accepted here.

"Naturally we are developing all sorts of cooperation with Romania—I could give you a long list. But as far as the Dniester region is concerned we are only discussing a peaceful solution to the conflict. There has never been any suggestion of Romanian military assistance—that has only been talked about in Tiraspol. But we and the Romanians are agreed that a precondition for a solution is the departure of the 14th Army."

For Snegur the creation of a federation between Moldova and the Dniester region is not an acceptable proposal for negotiation. "A federation means two independent states and in our situation that is unacceptable. However, if this were to happen, it would happen without my involvement. Self-government within one state, that is my principle. I have always been firm on this, and will remain so until the end."

The rocket and grenade attacks from the left bank of the Dniester River are continuing, despite the fact that a cease-fire has been announced on various occasions. However, President Snegur is doing his best to contain a feeling of panic in Moldova.

Of course there are problems now that the separatists have cut off the gas supply to most of Moldova. The beginning of an economic blockade which could assume serious proportions. Snegur dismisses the notion that the capital, Chisinau—only 70 kilometers from the front—could shortly come under rocket fire as a rumor designed to cause alarm. "It does not seem to me to be a serious prospect. In Tiraspol rumors are circulating to the effect

that we are planning to bombard the city, and similarly there are rumors here about an attack on Chisinau."

The struggle in Moldova is to a large extent a propaganda war and there is a threat that in it Moldova will be no match for the Dniester region. The media in Russia are busy the whole time spreading disinformation, according to the leadership in Chisinau. "Sometimes my emotions also run high. Then, after another outbreak of false information, I feel I want to close down Radio Russia's transmitters in this country. But it is better not to do that, because by doing so we would violate the rights of the Russians on our side of the Dniester. And the television and radio correspondents in Moscow are not always guilty; their material is falsified in Moscow."

There are calls in Chisinau to break the ties with Moscow. In Snegur's view, this would be a less than effective action. "We are still not part of the Commonwealth of Independent States, have not ratified the documents. At the next meeting we will be present as an observer, and we must make use of this position to talk about the conflict in the Dniester region."

Meanwhile a UN mission has visited Moldova to acquaint itself with the situation. The mission, which was fired on on a number of occasions, will report to Secretary General Butrus-Ghali. "I expect this report to have a positive effect. In addition, the U.S. State Department is working on measures to put pressure on Russia. If all this does not help, we will turn directly to the UN Security Council."

Background to Government Resignation Pondered

PM0207102792 Moscow IZVESTIYA in Russian
2 Jul 92 Morning Edition pp 1, 2

[Svetlana Gamova and Eduard Kondratov report: "Moldovan Government Resigns"]

[Text] The republic's parliament has voted by 203 votes to 7 in favor of completely replacing the government.

The government's fate was a foregone conclusion: Shortly before this Premier V. Muravschi and his ministers had stated their intention to voluntarily quit their posts. Only the minister of culture and cults and the "warring triumvirate"—the ministers of defense, national security, and internal affairs—were not intending to quit.

Who will remain in the new government will become clear over the course of the week that parliament has given the president for this purpose. But the name of the new premier is already known. He is current Vice Premier Andrey Sangeli, who was in charge of agriculture in Moldova during the perestroika years.

A little over a year ago, when Valeriu Muravschi took over the republic's tattered economy from Mircea Druc, there were many optimists who pinned their hopes on him. At least a professional financier rather than a

Spanish translator was going to be at the helm. However, the burden proved too much even for a professional. Fundamental questions of the renewal of the economy—privatization, the destatization of ownership, and agrarian reform—remained unsolved.

The 1 million rubles that Moldova spends each day "on suppressing the military rebellion in eastern regions" also cannot be a plus point for the former government.

One of the strongest planks in Mircea Snegur's presidential election program that won him many votes was the idea of creating a government of national accord. The plan was to abandon uninational leadership of Moldova and to bring representatives of the Russian-speaking left bank [of the Dniester] and the Gagauz south closer to the levers of supreme power. Such a government could have united the inhabitants of the regions for a common cause, eased mutual relations, and halted the development of confrontation. You would think that now is the very time to recall it: After all, sooner or later the will of the Dniester region's people will have to be taken into account.

From the purely formal point of view parliament did make such an attempt by including in the session agenda two variant drafts of a law on special legal status for the left bank. The two versions were handed out to deputies. The first draft talks of a Trans-Dniester County with its center in Dubossary and municipality in Tiraspol, whose prefects would be elected locally and approved in Chisinau. The tricolor, the coat of arms, the anthem "Romanians, Awake"—everything would remain the way it is throughout Moldova.

The second version is only slightly different from the first. It too would set up a county—this time Trans-Dniester County. Not only Romanian but also the native language of the majority of the population could be used on the territory of ethnic communities. Alongside Moldova's official symbols distinguishing symbols of ethnic origin would be permitted. As a package all this is called "Granting communities extensive autonomy."

You will scarcely find even one optimist in the Moldovan parliament who seriously believes that the discussion of any of these drafts—there is reputedly a third one, too—in the absence of deputies from the Dniester region will be of even minimal benefit. It is pointless to talk about the status of Trans-Dniester County after Tiraspol's statements of its reluctance to enter upon even federative relations with Moldova. This would be merely a gesture.

It remains unclear whether Moldova's parliament will be able to propose anything constructive in the near future.

Official circles are talking persistently about the war that is effectively under way with Russia. The tough statement of General A. Lebed, new commander of the 14th Army, and the tone in which it was made caused shock in Chisinau. His transfer to Tiraspol is regarded here as an unambiguous warning by Moscow that it will physically

influence the Dniester conflict. But as yet there is little change on the blood-spattered banks of the Dniester: The population centers where the troops are stationed are constantly coming under intensive fire. The left bank is strengthening its positions in expectation of further fighting. Gagauz volunteers are going to the assistance of the Dniester region. Both sides report dead and wounded practically every day.

Matters have also reached Chisinau journalists: In the last two days two have been wounded at their positions. Several correspondents, including those of ITAR-TASS, MOLDOVA-PRES, and "Ostankino," have been given mobilization notices. Clearly, this is one of the last hitherto unused methods of curbing the press—replacing the pen in journalists' hands with an assault rifle and sticking them in a foxhole.

Kazakhstan

Premier Accepts Responsibility for Soviet Debt

OW0907164092 Moscow INTERFAX in English
1544 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] Prime Minister of Kazakhstan Sergey Tereschenko said at a meeting with a delegation of Canadian businessmen headed by Minister of International Trade Michael Wilson that the republic admits unified responsibility for the Soviet foreign debt.

Mr. Tereschenko said that he and acting Prime Minister of Russia Yegor Gaydar asked President Boris Yeltsin to ask the G-7 in Munich for a two-year deferment of the Soviet foreign debt.

The Kazakh Prime Minister said that it would be "nice" if the West "put the debts aside" for two years, since for developed nations "70-80 billion dollars is not a lot of money". Mr. Tereschenko said that the West must consider "the great economic potential" of Russia and Kazakhstan.

Mr. Tereschenko said that if "other forces come to power" the West will see "neither paid debts nor reforms". He added that "in two to three years" the reforms will be "irreversible".

National Security, Defense Committee Formed

PM0907150692 Moscow KRASNAYA ZVEZDA
in Russian 9 Jul 92 p 3

[Colonel A. Ladin report under the "Direct Line" rubric, from Alma-Ata "yesterday": "New Committee of Republic Supreme Soviet Formed"]

[Text] At the eight session of the Republic of Kazakhstan Supreme Soviet, which has completed its work, a Committee for National Security and Defense was formed.

People's Deputy Colonel Bulat Dzhanasayev was elected chairman. He was born in 1952. He graduated from the Alma-Ata Higher Combined Troops Command School and the M.V. Frunze Military Academy. His latest post was as commander of an internal troops unit.

People's Deputies Colonel Ye. Mustafetov and Captain S. Subbotin became deputy chairmen of the Committee for National Security and Defense.

Nazarbayev Orders Appointments of Advisers

LD0207083992 Alma-Ata Kazakh Radio Network
in Kazakh 2300 GMT 29 Jun 92

[Text] For the purpose of drafting recommendations on key sectors of the economic reform and devising the relevant legislative and normative acts, President Nazarbayev has ordered the appointment of economic

adviser Dr. Ibrahim Sakir, and legal adviser Husayn Kaptan, to work in the Supreme Economic Council.

KAZTAG has provided the biographical details of the president's new advisers.

Dr. Ibrahim Sakir was born in 1951; he is Turkish, and he graduated from Birmingham and Istanbul Technical Universities. He is a Dr. of Philosophy and Bachelor of Natural Sciences. Sakir actively participated in implementing the radical economic reform in Turkey in the 1980s. He made a substantial contribution to devising and implementing the development of capital investment and encouraging national investment in the sphere of planning and the liberalization of trade, import, and export regulations. He started his career in the Turkish Institute for Mineral Research and Development and then worked as lecturer at Tripoli University in Libya as head of section and director of the Council for Foreign Capital Investment in Turkey, and as adviser to the Turkish Ministry of Finance and Foreign Trade.

Dr. Husayn Salih Kaptan was born in 1932; he is Egyptian, and he graduated from the Faculty of Law and Economics of Cairo University, the Faculty of Islamic and Comparative Law of Al-Azhar University, New York University, and the International Institute of Comparative Law. He is Dr. of Philosophy and a major specialist in the sphere of law and banking.

As legal adviser to the president of Pakistan, he drafted a package of laws ensuring the success of the economic reform. He is a consultant on legal questions of the National Assembly of Egypt, of the Islamic Development Bank, an adviser to the International Islamic Banking Organization. He is a member and chairman of a number of banks, financial institutions, commercial companies, real estate companies, and international [word indistinct] firms, and president of the International Islamic University.

Deputies: President Misinformed by Advisers

OW3006185192 Moscow INTERFAX in English
1730 GMT 30 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] "President Nazarbayev is not fully informed on the situation in the republic's agriculture, he is being hoodwinked by his advisers",—Deputy Galyz Turgambayev, manager of a state-owned farm, has said in an interview with IF [INTERFAX]. "And during the President's trips to rural areas what they show him is eyewash", he added.

G. Turgambayev insists that unless the state budget allocates immediately rb [rubles] 20 bn [billion] to bolster farming, soon it will need rb 500-600 bn for the same purpose. He complained that the managers of state-owned and collective farms "have neither moral nor

material support from the President", therefore 60 agrarian deputies intend to have a talk with him one of these days. A message, he said, is being prepared to the President and the parliament's speaker "On the Agrarian Situation in Kazakhstan".

Without urgent measures in support of agriculture in Kazakhstan, he warns, "all the enterprises will go bankrupt". In that case "we disown all responsibility", he stressed.

The President's decrees changing the structure of the republic's administration have been approved today, Tuesday, by the Kazakh Supreme Soviet.

Parliament has also passed earlier presidential decrees founding Ministries of Material Resources, of Science and New Technologies, of Ecology and Bioresources, of Energy and Fuels, and of Transport Construction.

Government To Float Rare Metals as Securities

OW0807212792 Moscow INTERFAX in English
1814 GMT 8 Jul 92

[From the "Interfax Business Report"; transmitted via KYODO]

[Text] According to sources, the Kazakhstan government will soon begin floating rare and rare-earth metals as bank security credits received in the development of the private economic sector of the republic.

As the first step, the republic has decided to place 45 tons of zirconium in an interbank terminal in Switzerland. Funds to be received from this operation are estimated at \$45 million under zirconium's security price of \$1000 per kilogram, and will be directed toward the modernization of medical technology production through a special investment program.

The program, developed for the goals of the private investment firm Ak-Bulak (created out of a number of defense complexes and medical technology producers), proposes the attraction of currency credits for the purchase of zirconium from non-ferrous metallurgy enterprises in northern Kazakhstan. The privately owned Turanbank will grant \$1 million, and the international association Azia will put forth \$650,000.

Currently in Kazakhstan there is only one place—Obukhovski—which has zirconium deposits with what experts consider high percentages of metal content. In addition, the private capacities for producing zirconium in the republic are limited. (Essentially the only enterprise in this field in the former Soviet Union - the Verkhnye Dnyeprovski industrial complex - is located in Ukraine).

Kazakhstan also plans to use scandium and metals in the platinum group, including rhodium and palladium, for bank security credits.

Free Economic Zone Formed in Western Region

OW3006231092 Moscow INTERFAX in English
1830 GMT 30 Jun 92

[Transmitted via KYODO]

[Text] The Kazakh Parliament Tuesday [30 June] passed a resolution to form the Atyruask free economic zone in the western portion of the republic. Its aim is to ensure the extraction of existing oil and gas fields, among them Tengiz, Kenbai, and to conduct testing in new fields.

The machine-building factory in the zone, which is renovating drilling and oil industry equipment, will be expanded, the oil refinery will be reconstructed, and the airport be reorganized to receive large planes. International communication, and world class hotels will also be constructed.

Draft Law on State Tax Service Adopted

LD0107201392 Moscow POSTFACTUM in English
1800 GMT 1 Jul 92

[From the "Domestic Market" section]

[Text] Kazakhstan—The main tax inspectorate of Kazakhstan is expected to be subordinated to the president according to the draft law on the state tax service in the Republic of Kazakhstan that passed through the republican Supreme Soviet's first reading, the inspectorate chief and his deputies are appointed by the Kazakhstan president.

The bodies of the state tax service are obliged to check the authenticity of book-accounting reports and balance sheets, calculations, declarations and other documents received from financial bodies, banks and other finance and credit establishments documents certifying enterprises and individuals paying taxes as well as check statements, reports and other information about violations of the tax legislation. The main state tax inspectorate has the right to carry out inspections of enterprises of all types of ownership, of foreign legal persons, of the citizens of Kazakhstan and of other CIS states, of foreign citizens and persons without citizenship concerning all monetary documents, accounting books, reports, balance sheets, cash, securities and other assets, calculations, declarations concerning payment of taxes as well as inspecting production, storage, trading and other premises of enterprises, organizations and individuals.

Regardless of their whereabouts, the main state tax inspectorate is empowered to suspend transactions by enterprises and individuals on settlement and other accounts in the banks in case they fail to rectify the elicited violations of the tax legislation. Under the draft, the staff of the state tax service are subject to obligatory insurance from the republican budget. In the case of a state tax service worker's death caused by their performing their inspection duties, the family of the

deceased or their dependents are paid from the republican budget a one-time allowance tantamount to a 10-year monetary upkeep of the deceased.

Supreme Soviet Passes Bill on Immigration

LD2706194392 Moscow ITAR-TASS in English
1717 GMT 26 Jun 92

[By KAZTAG correspondent Tatyana Zhurbenko for TASS]

[Text] Alma-Ata June 26 TASS—The Supreme Soviet of Kazakhstan passed today the "immigration" bill after prolonged debating. According to the act the immigration quota will be fixed by the president of the republic. In the beginning period, according to calculations, it may vary from eight to fifteen thousand men per year.

For refugees and repatriates, forced to leave some time Kazakhstan, a special differentiated allowance and privilege system has been envisaged. The amount allocated is not very large—fifteen thousand rubles per head including all expenses incurred. This money will be collected from the republican or local budgets, including friendly ethnic associations and cultural centres, donations from organizations and individuals, including foreigners.

Besides it, the republic land fund and local authorities will help repatriates with residential accommodation. The government has kept provisions for this purpose as well. All this work will be coordinated by a special immigration department of the republic.

The act stipulates privileges for natives returning to their historical motherland.

Laws on Membership in IMF, Other Groups Passed

LD3006165892 Alma-Ata Kazakh Radio Network
in Russian 1400 GMT 26 Jun 92

[Excerpts] On 26 June a parliamentary session took place under the chairmanship of Serikbolsyn Abdildin. [passage omitted] A law was adopted on the membership of the Republic of Kazakhstan in the International Monetary Fund, the International Bank of Reconstruction and Development, the International Finance Corporation, the International Development Association, the Multilateral Investment Guarantee Agency [as heard], and the International Center for the Settlement of Investment Disputes. [passage omitted]

Canadian Firms To Grant \$20 Million in Credits

OW0907182492 Moscow INTERFAX in English
1758 GMT 9 Jul 92

[From the "Interfax Business Report"; transmitted via KYODO]

[Text] Canadian export development corporations will grant Kazakhstan a total of \$20 mn. [million] in credits. This agreement was reached on Thursday [9 July] in

Alma-Ata during discussions between the republic's Prime Minister, Mr Sergey Tereschenko, and the Canadian Minister for Industry, Science and Technology, Mr Michael Wilson.

The Kazakh premier proposed investment of Canadian capital in farming, pointing out that private farms would be set up over an area of 1 mn. hectares, and would require something like \$500-700 mn. in credits.

Mr Tereschenko offered the Kum-Kol oil and gas field, which burns off 250 mn. cub. [cubic] meters of gas per year "into thin air", as a guarantee for the repayment of the credits offered to Kazakhstan.

The premier pointed out that the Canadian firms would return money invested in farming development "after two years of working in this sector". Kazakhstan currently produces 28 mn. tons of oil and 120 mn. tons of coal per year.

Mr Tereschenko also made the point that the republic would accept full responsibility for its payment of the overseas debt incurred by the former USSR.

Kyrgyzstan

Akayev Addresses Government Session on Economy

LD2806091892 Moscow ITAR-TASS World Service
in Russian 1530 GMT 25 Jun 92

[By KYRGYZTAG correspondent Albert Bogdanov for TASS]

[Text] Bishkek, 25 Jun—"We must tighten our belts and embark upon our current task together in an organized way, otherwise all our democratic achievements will turn to dust," President Askar Akayev told today's Kyrgyz Government session. The IMF experts who helped devise a new economic program also attended the session. The IMF mission is headed by Ishan Katsur, head of the Central Asian department of the second European department.

The deadlines for implementing this are very strict. The fall in production must be halted by year's end, and the economy must be stabilized next year. The monetary system and the republic's banking affairs must be tightened and put in good order, privatization must be completed, and enterprises must be removed from state hands to achieve this. The president stressed that the state will not promise people mounds of gold as reforms are carried out and will offer social support to selected targets only, namely the most socially disadvantaged sections of the population. The republic will start improving the social sphere only when the planned minimum is reached.

The republic hopes that the more than \$400,000,000 needed to implement the program will come from the International Bank for Reconstruction and Development, whose specialists are currently in Kyrgyzstan. The

credits received must be used to obtain equipment for rehabilitating the economy and new technology.

For perhaps the first time in all the years since the start of perestroika, people have been told openly that there will be no instant results and that they must work with all their might under difficult living conditions.

Plan for Radical Economic Reform Adopted

OW0407154192 Moscow INTERFAX in English
1459 GMT 4 Jul 92

[Transmitted via KYODO]

[Text] The Kyrgyz parliament has adopted today, Saturday, the government's programme of radical economic reforms for the coming 18 months. President Askar Akayev said at the session that if the programme fails, he and his entire government will resign.

Akayev on Draft Constitution, Private Property

OW2906181692 Moscow INTERFAX in English
1432 GMT 29 Jun 92

[Transmitted via KYODO]

[Text] The Kyrgyz President Askar Akayev said that the main idea of the draft of the new constitution is to precisely define the private property which, as he says, is the most important stimulus in the development of the society as a whole.

Addressing the Parliament on the draft of the new basic law on Monday [29 June], Akayev assesses as the main dignity of the draft those articles of the draft which fix the rights and freedoms of the people in accordance with the international standards.

The head of the state emphasized that "the state might is concentrated on the executive power and the president assures the unity of the statehood, strength of the constitutional system, and is a guarantor assuring all the functions of the state". At the same time Akayev noted a significant independence of the government declared by the new constitution (the Prime Minister who is appointed by the President can himself form his cabinet). According to the President, the institutions of local management will be "deSovietized".

The draft constitution says that the state will receive a new title "Kyrgyzskaya Republic".

Privatization, Deregulation Plan Completed

OW0807183592 Moscow INTERFAX in English
1645 GMT 8 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] The chairman of the state property management fund, Abdyjapar Tagayev on Wednesday [8 July] said the government had completed work on a faster privatisation and deregulation programme now pending approval by president Askar Akayev.

However, he pointed to a number of reasons why the process could be stalled, among them the existence of contradictory legislation, and the need for further amendment to the property law, as well as for the adoption of private property and bankruptcy laws until this autumn.

One other negative factor is the inadequate training of those expected to implement the privatisation campaign on the ground, and incompetence by many of the factory managers and local administrators who appear to give their own interpretation of the property reform, said Tagayev. The absence of market infrastructures and shortage of commercial banks also added to the trouble.

Because of those negative factors, only about a third of state property will be privatised by the end of 1993, said the fund's chairman, including just 65% of retail trade and public catering to 100% as recommended by IMF experts.

Corrections in the pace of deregulation are caused by the need for the privatisation of manufacturing industries in parallel. If not, the newly-set up private shops will soon run out of stocks. Tagayev said the programme provides for privatising the light and food industries.

IF [INTERFAX] Note: By now, a mere 4% of state-run property has been de-nationalised (a total of 942 facilities). The rate of privatisation is the highest in the capital Bishkek (15.6% of state property), with Talash and Osh provinces trailing far behind with a paltry 1%.

1 Tonne of Gold Deposited in Swiss Bank

LD0607204292 Moscow Mayak Radio Network
in Russian 0900 GMT 5 Jul 92

[Text] The NEGA agency has reported that Kyrgyzstan has set up a gold reserve. One tonne of gold has been deposited in a Swiss bank. If five more tonnes of gold is accumulated, Kyrgyzstan can easily count upon Western credits amounting to \$300 million.

Commercial Sales of Spirits, Tobacco Banned

OW0807184192 Moscow INTERFAX in English
1645 GMT 8 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] The government in Bishkek has imposed a ban on the sales of locally-produced beer, liquors, wines and tobacco by commercially-run structures and individuals. Its resolution says these products can be sold only by state-run cooperatives or shops.

Dealing in these products is subject to a local government licence, the absence of which entails administrative punishment.

EC Grants \$40 Million for Food, Medicine

LD0707101192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 0800 GMT 7 Jul 92

[From the "Novosti" newscast]

[Text] The EC has earmarked free aid to Kyrgyzstan to the sum of \$40 million. The major part of the sum will be used for purchasing medical supplies and foodstuffs in the EC countries. This is an obligatory condition for obtaining the aid.

Akayev Scores Media's 'Anti-Russian Hysteria'

PM3006120392 Moscow ROSSIYSKAYA GAZETA
in Russian 30 Jun 92 First Edition p 7

[Valeriy Kuklin report: "10 Million To Stop Lying"]

[Text] Bishkek—Last week's most important event in the Republic of Kyrgyzstan was President Askar Akayev's meeting with local press, radio, and television officials. The reason behind it was that the press abroad is increasingly often focusing attention on the fact that mass media in Kyrgyzstan publish too many articles obviously smacking of nationalism. Matters have gone so far that, as the president said, a woman from his apparatus, who is highly valued as a legal expert, went to him and bluntly asked him:

"Maybe I should submit my resignation? After all, I am Russian."

It appears that one of the few remaining newspapers had proclaimed that laws for Kyrgyzstan should be written only by people of Kyrgyz nationality. This is just one of many instances when this issue has been presented in similarly absurd and insulting fashion.

One gets the impression that, as A. Akayev noted, Kyrgyz journalists, carried away by the freedom of speech, have transformed the press platform into a soapbox for anarchic squabbles, thus not only undermining the prestige of the government he leads, but also hindering its elementary functioning. Look no further than, for example, the wave of articles accusing the republic government of lacking a clear-cut economic concept and program for Kyrgyzstan's development, whereas just a few days ago an IMF commission, working jointly with Kyrgyz scientists, completed the relevant draft under which the World Bank will allocate credits in the near future.

Such fabrications and provocations are actually printed by state newspapers, not by cooperative or private ones. And they are the ones begging the Cabinet of Ministers for subsidies. Surprisingly enough, subsidies have been promised to the tune of 10 million rubles!

Only time will tell how grateful the journalists will be. All the president of the Republic of Kyrgyzstan can do is to pin his hopes on the probity of those with whom he has spoken, because his desire to halt the anti-Russian hysteria cultivated by the republic's newspaper is obvious.

Akayev Hails Turkey's Efforts for Central Asia

LD0307084692 Moscow ITAR-TASS in English
1316 GMT 2 Jul 92

[By ITAR-TASS correspondent Sergey Feokistov]

[Text] Ankara, July 2 TASS—"The Istanbul economic summit of the Black Sea area countries Black Sea and the Istanbul meeting of the World Economic Forum will be of great help for the development of international relations. Turkey is a locomotive for the Black Sea region, while the world economic forum is of great significance both for Asia and Europe," said Kyrgyz President Askar Akayev in Turkey on Wednesday [1 July].

Akayev who took part in the forum's meeting said that so far the republics of Central Asia have escaped the attention of the world community. Only Turkey has been assisting them in the implementation of economic reforms.

It was the Turkish prime minister, Suleyman Demirel, that made the world community see the problems of Central Asia, Akayev stressed.

National Army To Have 18,000 Troops

OW2906213092 Moscow INTERFAX in English
1846 GMT 29 Jun 92

[Transmitted via KYODO]

[Text] The Kyrgyz defense state committee worked out 62 bills on military issues none of which has been voted yet. The voting would be possible only after an official military doctrine was adopted, committee chairman Dzhanybek Umetaliyev told the Kyrgyz parliament today.

Dzhanybek Umetaliyev said the concept of national armed forces implied creating a regular army of 5 to 7 thousand people and forming reserve units in case of a military threat and mobilization. The army personnel will total 18 thousand.

Dzhanybek Umetaliyev said that the armed forces stationed in Kyrgyzstan would be reduced by 30 to 40%. Released resources will be used to provide social security for the servicemen.

Naryn Unit Switches to Republic Jurisdiction

PM0907114792 Moscow KRSNAYA ZVEZDA
in Russian 8 Jul 92 p 2

[ITAR-TASS report: "Military Unit in Kyrgyzstan Lowers Flag of Former USSR"]

[Text] The USSR national anthem has been played for the last time and the former Union's state flag has ceased to fly over the military unit stationed in the city of Naryn. The military unit has changed to Kyrgyzstan's jurisdiction. The red flag with a sun in the middle now flies over its territory.

New Law on Status of Servicemen Adopted

PM0907104792 Moscow KRSNAYA ZVEZDA
in Russian 2 Jul 92 p 3

[RIA report: "Kyrgyzstan Adopts Law on Status of Servicemen"]

[Text] Bishkek—A law "On the Status of Servicemen in the Republic of Kyrgyzstan" has been adopted by the republic parliament. It does not allow serviceman to have dual citizenship or to participate in political parties or rallies. Only servicemen who are citizens of the Republic of Kyrgyzstan have the right to participate in elected organs. The question of the participation of Muslim women in the armed forces has been called into question by parliament as not in accordance with the norms of the Shari'ah. Servicemen are entitled to profess any religion, but the people's elected representatives did not reach a decision on how Muslim servicemen will be able to perform the namaz (prayers) five times a day under army conditions.

Tajikistan

Nabiyev Pleased With Iran, Pakistan Visits

LD0407084492 Tehran IRNA in English
1124 GMT 3 Jul 92

[Text] Moscow, July 3, IRNA—Tajik President Rakhman Nabiyev termed the outcome of his recent five-day official visits to Iran and Pakistan as "very positive" and thanked the officials of the two countries for the hospitality accorded him.

Nabiyev who was speaking upon his return to Dushanbe Thursday [2 July] night, said he had signed five agreements to consolidate relations with Tehran and Islamabad.

He also noted that he had invited Pakistani and Iranian presidents to pay official visits to his country.

Tajik Ministers of Foreign Affairs, Khudoyverdy Khalilnazarov and of Finance and Economic Affairs Ismail Davlatov who accompanied Nabiyev, also described their visits and conclusion of cultural and economic agreements with the two countries as "very constructive and positive."

Adviser Explains President's Economic Policies

OW0907174292 Moscow INTERFAX in English
1629 GMT 9 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] In an interview with Interfax correspondent Rustam Mirzoyev, presidential adviser on economic issues, said that the Tajik leadership's economic policy is aimed primarily at overcoming the crisis faced by the country and at embracing free market as soon as possible. According to the adviser, this policy is reflected in the President's decree on liberalizing foreign economic activity in Tajikistan which provides for considerable privileges regardless of the forms of property.

The appointment of the well-known American lawyer Richard Abbot as adviser to the Tajik government on the problems connected with transition to free market is also characteristic, said R. Mirzoyev. His task is to constantly analyze the republic's economic legislation. R. Mirzoyev also qualified as significant the agreement on reciprocal protection of investment signed between the governments of the USA and Tajikistan.

President Rahman Nabiyev's recent trips to Pakistan and Iran were of great importance for his republic, said R. Mirzoyev. These visits resulted in a 50-million-dollar credit from Iran granted for the construction of consumer-goods factories and processing plants, and in half-a-billion-dollar credit from Pakistan for continuing to build the chain of Rogun power plants which will enable Tajikistan to overcome its energy crisis and even export electricity, the adviser said.

At the same time R. Mirzoyev pointed to "extremely weak economic links" between Tajikistan and other formerly Soviet republics. Though positively assessing the agreement on forming a coordinating economic body signed by the Commonwealth leaders at their summit in Moscow, the adviser expressed concern about Tajikistan's failure to sign bilateral agreements with CIS countries in contrast with other CIS members which consolidate all highest-level decisions in this way.

According to the presidential adviser, as a result of mounting tensions in the local socio-political situation, in fact a split in Tajikistan, R. Nabiyev renounced his personal sympathies when granting the best-favored status to the businessmen who had been particularly helpful to him during presidential elections.

Nabiyev Accused of Violating Human Rights

LD1007142992 Moscow ITAR-TASS in English
1219 GMT 10 Jul 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, July 10 TASS—Leaders of the United Democratic Forces of Tajikistan (former political opposition), as well as leaders of the Muslim clergy sent an address to the CSCE Conference in Helsinki, accusing official authorities and President Rakhman Nabiyev of violating human rights.

The address was prompted by the arrest of former Dushanbe Mayor Maksud Ikramov four months ago on bribe-taking charges. Authors of the address believe that Ikramov was arrested for his democratic convictions.

The document expresses the hope that the CSCE leadership, of which Tajikistan is a member, will take part in the fate of Ikramov. Authors of the address insist on the immediate arrival of a special CSCE commission in the republic.

Agreements To Solve Conflict Implemented

LD3006215592 Moscow POSTFACTUM in English
1857 GMT 30 Jun 92

[From the "Politics" section]

[Text] Dushanbe—Implementation of agreement items between conflicting sides started in Kurgan-Tyube region of Tajikistan.

The agreement consists of three items: liberation of all the hostages by each side, substitution of the armed posts of both sides by militia posts and OMON [special-purpose militia detachment], and cease-fire. In the first half of the day on June 30 no armed clashes were recorded on the territory of the region. According to Guldast Imronshoyev, deputy interior minister of Tajikistan, there is every ground to believe that the Interior Ministry forces would take control over the situation, but the Interior Ministry posts have not yet been fixed partially in Vakhsh, Kalininabad and Bokhtar districts.

A conciliatory staff was set up in the regional with representatives of both sides. Within June 28-30, members of the staff conducted explanatory work in the districts. Presently the negotiations have not gone as far as to touch upon the disarming of both sides issue. Commanders of OMON units who conduct explanatory work on expediency of handing over of arms, in their turn assure village residents that they are ready to defend them from the enemy's attack notwithstanding its political orientation. Tension was lifted in Dzhilkulskiy, Kabodiyenskiy, Shaartuzskiy districts where there are no OMON forces thanks to the talks. Four hostages from Vakhsh, captured between June 24 to 28, was released on June 29 by OMON soldiers in Orau settlement of Kolkhozabadskiy district. Earlier, on June 28, 65 hostages were released in Khakikar collective-farm and 11 hostages in Vakhsh state farm. Inhabitants of deserted villages who were hiding amidst adjacent mountains and those who fled beyond the region's boundaries, are gradually coming back home. A great number of refugees concentrated in Tursunzade district on Uzbekistan's

border. According to some data, approximately 10,000 refugees of Uzbek nationality stay in Surkhandarya region of Uzbekistan. According to agreement reached by the sides, they will not be in danger upon their return. On June 29, Prime-Minister of the republic Akbar Mirzoyev and Deputy Prime-Minister Saydullo Khayrullover stayed in the Kurgan-Tyube region with the view of familiarizing themselves with situation.

OMON forces on June 29 took control over a powerful radiostation in Guliston state-farm. Beginning with June 27, this radiostation was subject to repeated assaults by the opponents of coalition government who over this radiostation spread false information, called upon Kulyab, Leninabad residents and Uzbek population of Kurgan-Tyube to start armed struggle with the opposition. In the course of transmissions, among others, it was reported about a detachment of opposition numbering 3,000, possessing two APCs [armored personnel carriers] and a tank, about a thousand of killed and several thousand wounded. According to official mass media information, approximately 400 men took part in the armed conflict on June 27 between Tajiks of Kulyab and Garm origin, divided according to ethno-political characteristics. As a result of the conflict 35 were killed, 56 wounded. The fighting lasted for 5 hours: from 5:30 to 10:30. Machinery was used by both sides: one APC on each side which were put out of action as a result of fighting. At 12:00 a fire exchange took place between one of these groups with a group of Uzbek nationality residents of Kosimov collective-farm, numbering 40. The work to establish the number and identify the killed or wounded, according to official information, continues. To cut short the armed conflict between the warring sides the Interior Ministry personnel from Kurgan-Tyube regional executive committee and an army unit, of the republican OMON left for the combat operations area.

Forces Work With Militia To Secure Rayons

LD0607111292 Dushanbe Radio Dushanbe Network
in Tajik 0400 GMT 6 Jul 92

[Text] Usmon Yarov, acting chairman of the Kurgan-Tyube oblast national committee, told our correspondent on 5 July that establishments occupied by the people were emptied in Kurgan-Tyubinskiy and Kalininabadskiy rayons. The major roads of the city and the oblast rayons are under the supervision of the republic's internal affairs workers. The CIS forces are working with the militia in the [name indistinct] and Kalininabadskiy rayons. People and state [word indistinct] transport continues to be seized. The working commission within the committee for [word indistinct] has started work to stop such activities, to free those seized, and to find those who are missing.

Turkmenistan

Government Makes More Appointments, Changes

OW0207190492 Moscow INTERFAX in English
1615 GMT 2 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] President Saparmurat Niyazov has ordered new cabinet appointments following his recent re-election and inauguration as the republic's head of state on June 26.

The head of the government control committee, Nurmukhamed Ashirov, is now in charge of the newly-established ministry for environment use and nature conservation which replaces the government committees for environment protection and for forestry and pastures, as well as the hydrometeorology department.

The managing director of Turkmenagroprompererabotka (now abolished), Paizgeldy Meredov, will now head the new ministry of agriculture, food supply and food-processing set up instead of the ministries of agriculture, and food and food-processing as well as Turkmenagroprompererabotka association.

The culture ministry now transformed into the ministry of culture and tourism is to be led by Geldymurad Nurmukhamedov who is being relieved from his duties as chairman of the science, education and social security committee under the presidential council.

Khan Akhmedov who relinquishes his jobs as member of the presidential council, deputy prime minister, and head of the national railways has been appointed as ambassador to Turkey. Hudaikuly Khalykov is promoted in charge of the railways from his previous post as deputy head.

The head of Ashgabat's telephone station, Omanmurad Jummyev now becomes minister for communications. He replaces Shakhargeldy Muradov who is relieved from his job for what is described as transfer to a new post.

The state television and radio broadcasting committee is transformed into a national TV and radio broadcasting company to be led by president Niyazov's former press secretary Annageldy Orazdurdyev.

Member of the presidential council and deputy prime minister Ata Charyev has been appointed the country's ambassador to Iran.

Turkmenistan's permanent envoy in Moscow Niyasklych Nurklychev is promoted to the rank of ambassador.

Tax Breaks for Foreign Investors Announced

PM0907110192 Moscow IZVESTIYA in Russian
7 Jul 92 Morning Edition p 4

[Vladimir Kuleshov report under the "From Our Correspondents and News Agencies" rubric: "Turkmenistan Starts Pursuing 'Open Door' Policy"]

[Text] Ashkhabat—Henceforth businessmen from any country can open a business in Ashkhabad in accordance with Turkmenistan laws, and for a certain time foreign investors will be exempt from paying taxes.

This was stated from the rostrum of the World Economic Forum, which has assembled more than 100 of the world's top business leaders in Istanbul, by Turkmenistan President S. Niyazov. He stressed that the republic has all the conditions necessary for business success—huge reserves of natural resources, a stable political situation, and the requisite legal base.

Books in Turkmen About Niyazov Published

LD0107203592 Moscow POSTFACTUM in English
1800 GMT 1 Jul 92

[From the "Politics" section]

[Text] The Turkmenistan publishers puts out a series of books in the Turkmen language about President Niyazov the author of one of them entitled Serdar (leader) is an official of the press service of Turkmenistan's President Durdy Mukhamed Gurban—is also known for reciting poetry at a Turkmen opposition rally, dedicated to the victory of the Russian leadership in August, 1991 containing four-letter words about Saparmurat Niyazov. In a few days after the event he published in a Turkmen-language newspaper an article in which he said, inter alia, that he was blind but, thanks to the outstanding personality of President Niyazov his eyesight came back to him and he assessed him in quite a different manner. This article alongside several others was included in the book Serdar.

Gurban is also the author of the book Turkmen Chief Blazes Trails containing travel notes of an aide accompanying the president on his foreign visits. The Turkmenistan publishers also put out the book the son of the nation, containing the documents signed by Niyazov in the post of the president and extracts from some articles of the local mass media dedicated to Saparmurat Niyazov. It was compiled by the officials of Turkmenistan's presidential council Kurbanjazz Tamchynov and Orazbai Urayev. The total run of the books comes to 96,000 copies. Sources, close to the management of the Turkmenistan publishers, told PF [POSTFACTUM] that the price of the books had not been fixed yet because, in the words of one of the officials, it is not clear whether to make it cheap and accessible to all or to proceed from the assumption that a book on the dear and highly esteemed person must be dear. The same sources told PF on July

1 that the publishers intended to publish a collection of speeches by President Niyazov.

Uzbekistan

Karimov Proclaims Achievement of Stability

OW0307191092 Moscow INTERFAX in English
1610 GMT 3 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO; quotations marks as received]

[Text] Uzbekistan has a substantial potential to assure its independence, the international authority of the republic is growing constantly, President Islam Karimov declared. He addressed the current session of the republican parliament. The head of the state stressed that since the day it obtained independence the republic pursues an independent foreign policy laying in its ground the principles of peace and cooperation. The President noted that the republic has achieved a state of stability and calamity [as received]. According to Karimov, this fact "attracts other states for cooperation with Uzbekistan which is headed by serious and competent leaders". The President expressed his satisfaction as since the first day of its independence Uzbekistan values the honor and dignity of its people and does not ask for alms with a stretched hand like some other states".

Karimov declared that Uzbekistan has rich natural resources and draws foreign business circles for cooperation. It helps to use foreign investments. According to the President's assessment the republic occupies the central place in the Middle Asian region and influences its future.

The head of the state criticized those who declares that after signing a Treaty on collective security of the CIS states Uzbekistan is forced to come out with arms in their hands against other sovereign states which have not signed this Treaty. According to Karimov, "it is a real absurd as this Treaty proclaims collective security but not attack. It helps to secure the borders of states and of the Middle Asian region as well".

Speaking on the internal issues of the republic, Karimov mentioned the problem of creation of the Uzbek own army. He said that the residents of the republic will constitute the ground of the military contingent in Uzbekistan. This army, the President said, will possess "a substantial potential to defend the Uzbek people and independence of Uzbekistan".

The social-political situation in the republic is quite normal, the President said. The role of a healthy opposition - parties and popular movements "which deeply understand that the civil content is the main guarantee of the state independence - is very important in establishing peace and calamity [as received] in the republic. The President warned of thoughtless steps and appealed to consolidation and cooperation of all the healthy forces of the society.

Karimov noted that Uzbekistan proclaimed its own way of social progress and renewal. Characterizing this way the President, in particular, declared that in contrast to Moscow Uzbekistan did not use the way of shock therapy on the way to market economy which was thoroughly developed in the republic minding first of all the most vulnerable circles of population.

Karimov underlined that in defining the policy of independent Uzbekistan it is necessary to consider the Islamic religion. The living standard of people, its moral values, the people's thinking were being formed under its influence. According to the President "a positive attitude to religion is of great importance to the foreign policy of Uzbekistan and especially in its relations with states of the Muslim world". Karimov said that Uzbekistan is a multinational state which is inhabited by more than a hundred nations and nationalities. It is necessary always to think on maintaining and developing of their cultures and traditions.

Opposition Groups Agree on Joint Actions

OW0507154892 Moscow INTERFAX in English
1215 GMT 5 Jul 92

[Transmitted via KYODO]

[Text] The democratic party Erk and the popular movement Birlik, both in opposition to the Uzbek authorities, agreed on joint actions on Saturday [4 July] in Tashkent when the leaders of the two parties met.

Leaders of the parties Erk and the movement Birlik, speaking at the sitting, recognized that the two-year contradictions between the two basic opposition forces "only played into the hands of the forces of reaction and the totalitarian regime in Uzbekistan."

One of the factors that accelerated the consolidation of Erk and Birlik, said the sitting, was "political terrorism conducted by Uzbek authorities" against opposition leaders and activists.

They demanded that the republican procurator's office open a case against officials dragging their feet on an investigation of an attempt on the life of the co-chairman of Birlik Abdurakhman Pulatov on June 29, who is still in intensive-care unit at a Tashkent hospital.

Armenia

News Conference on Nagorno-Karabakh Conflict

LD0907164692 Moscow ITAR-TASS World Service
in Russian 1451 GMT 9 Jul 92

[By unidentified ITAR-TASS correspondent]

[Text] Moscow, 9 Jul—A news conference that took place on 9 July at the permanent mission of the Republic of Armenia in Moscow was dedicated to the results of the third round of the Rome conference of the CSCE Minsk group on Nagorno-Karabakh and the military and political situation in Armenia and Nagorno-Karabakh with regard to the large-scale offensive unleashed by Azerbaijan's army. Permanent representative Feliks Mamikoyan, Armenian parliament member Suren Zolyan, and Nagorno-Karabakh vice prime minister Boris Arushanyan spoke at the news conference and stressed that in the last month the offensive by Azerbaijani armed formations and armored vehicles has resulted in hundreds of casualties, the capture of Shaumyanovskiy Rayon and part of Mardakertskiy Rayon, and the deportation of tens of thousands of inhabitants.

However, according to the participants in the news conference, at the Rome meeting the Minsk delegation refused to express officially its position on using force in resolving political issues and not accepting the policy of fait accompli in connection with the latest events in the region. The Karabakh delegation that went to Rome was refused participation in plenary sessions and its status is still not defined. In this connection, the Armenian and Nagorno-Karabakh delegations interrupted their participation in the Rome meeting.

The participants in the news conference positively responded to a report from Helsinki on the proposal by the CSCE member states to send forces to the conflict zone to disengage the confronting sides. It was noted that these forces should take up positions on the border between Nagorno-Karabakh and Azerbaijan, which are the two sides in the conflict.

NKR Authorities Urged To Accept Cease-Fire

LD1007081192 Moscow ITAR-TASS World Service
in Russian 0810 GMT 10 Jul 92

[Report by ARMENPRESS-TASS correspondent]

[Text] Yerevan, 10 Jul—The Armenian Government has appealed to the Nagorno-Karabakh authorities, urging them to respond to Mario Raffaelli's call for a 30-day cease-fire. Raffaelli spoke on behalf of the Minsk meeting preparation group on Nagorno-Karabakh. At the same time, the Armenian Government expressed the hope that the CSCE will send its observers to supervise the truce in Nagorno-Karabakh.

Cease-Fire Proposal Welcomed

OW0907184792 Moscow INTERFAX in English
1809 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] Nagorno-Karabakh positively assesses the proposal on cease-fire of a month duration, the deputy chairman of the council of Ministers of the Karabakh Republic Boris Arushanyan said at a press conference today [9 July] in Moscow.

The permanent representative of Armenia to Moscow Feliks Malikonyan who also addressed the conference said that he has an impression that the consent on cease-fire which was already announced in Baku has a propagandistic character and the Azeris are not interested in a real truce.

Making comments of the message received from Helsinki stating the CSCE's intention to send peace-supporting forces to Nagorno-Karabakh, Arushanyan declared that their presence in the region will be fruitful only if they are armed and are deployed on the border of Azerbaijan and Nagorno-Karabakh.

The press conference also declared about participation of the Russian troops in the hostilities from the Azeri side. According to Arushanyan, about 700 Russian officers are fighting in the Azeri armed formations.

NKR Official on Conflict

LD0907122292 Moscow ITAR-TASS in English
1041 GMT 9 Jul 92

[Text] Moscow July 9 TASS—A guaranteed cease-fire, the presence of UN troops or other international forces to disengage warring sides, round-table talks in the presence of sufficiently serious and respected mediators, recognition of Karabakh as an independent state. Such are ways of settlement of the Karabakh conflict, according to Chairman of the Foreign Relations Commission of the Supreme Soviet of the Nagorno-Karabakh Republic [NKR] Levon Melik-Shakhnazaryan. He declared this in an interview published on Thursday [9 July] by newspaper ROSSIA.

According to Melik-Shakhnazaryan, the United Nations and the CSCE could serve as mediators at round-table talks. He noted that the CIS cannot play that role now. "We shall see whether the Commonwealth will survive," he said.

The commission chief also declared that the proclamation of independence of the Nagorno-Karabakh republic is a compromise. "refusal to reunite with Armenia is dictated by the supreme interests of two peoples—Armenians and Azeris," he noted.

Replying to a question about the possibility of another solution of the conflict—in the form of confederation with Azerbaijan, association or in the variant proposed by several Russian autonomies, Melik-Shakhnazaryan

emphasised the readiness of Nagorno-Karabakh to cooperate in the economic field. "Politically....only independent states can form a confederation. We won't join a federation," he said.

Speaking about Russia's role in the settlement of the Karabakh conflict, Melik-Shakhnazaryan noted that "Russia is responsible for what is happening".

"Today it is the only country that could guarantee humanitarian aid to Karabakh. As for diplomatic involvement, it has too many problems with its own autonomies to be able to recognise our independence and lead the way for others. Nevertheless, I pin hopes on traditional friendship between Russian and Armenian people," he emphasised.

Exchange of Fire, Clashes Continue 'Unabated'

NC0907180292 Yerevan Radio Yerevan in Azeri
1330 GMT 9 Jul 92

[Text] Dear listeners, we now present a report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and Armenia's border regions:

The exchange of fire and clashes continue unabated in the Nagorno-Karabakh region. Azerbaijan National Army units are making an effort to reinforce their positions in the areas they have occupied so they can maintain their attacks. However, their efforts are futile. Counterattacks have been launched against the Azerbaijan National Army from all directions. The usurpers have suffered many casualties and lost military equipment and hardware in every part of the battlefield. As a rule, however, the Azerbaijan information agencies continue to withhold the number of Azerbaijani casualties from the Republic's people. The reason for this is common knowledge. Nevertheless, it is impossible to conceal the truth. The people can feel the weight of the war.

An Armenian television network program on 8 July refuted the unfounded reports circulated by Azerbaijani mass media organs. The program was devoted to the Azerbaijani casualties on the battlefronts. It showed the passports and other documents of hundreds of Azerbaijanis killed at the battlefront in June. Most of them were between 16 and 18 years old.

Tens of thousands of rubles were discovered in the pockets of the dead Azerbaijanis. It is common knowledge that a certain amount of these rubles were taken from the peaceful people. The rest came from their salaries.

Unfortunately, the young men are becoming the victims of political ambitions. Those who have been killed have not been able to use the cash they received for making people unhappy. Regrettably, their mothers and families are still waiting for them to return. We have disclosed many times in the past that this war is useless. We wish

to reiterate this once again. Aggression must end. Azerbaijani officials must recognize the NKR's existence. This would be a historic development. It would be a lawful approach. All people must be given an opportunity to determine their future by their own free will. Undoubtedly, the Armenian people in the NKR have determined their own future on their historic land. They are safeguarding their future. The reports we have received from the front line confirm this.

The attack unleashed by Azerbaijan Armed Forces units on Mekhmana and [word indistinct] in Mardakertskiy Rayon was ward off on the night of 7 July. Regardless of their superiority in terms of men and technical equipment, the Azerbaijani units suffered many casualties. No one was killed or wounded on the Armenian side. Azerbaijani losses were significant. Let us note at this point that Mekhmana [words indistinct]. They took part in defending the town.

Azerbaijani units have shelled Armenian residential areas in the eastern part of Nagorno-Karabakh with heavy artillery. Martuni was fired on with Grad rocket launchers, tanks, and artillery. Several people were wounded.

Defense positions in Askeranskiy Rayon's border areas and Mardakertskiy Rayon's internal regions were also fired on. Martuni was fired on from [word indistinct] in Fizulinskiy Rayon. Fifteen rockets were launched on the city's suburbs. Three residents were wounded and several houses were destroyed as a result of the attack. The usurping units of the Azerbaijan Armed Forces are massing in the vicinity of [placename indistinct], 7 km from Martuni. According to the information we have received from the self-defense forces in Martuninskiy Rayon, a column of military vehicles has arrived in the town. Armenian self-defense forces have bombarded the town.

An exchange of fire took place between Machkalashen in Martuninskiy Rayon and Gadzhar in Fizulinskiy Rayon. No Armenians were hurt.

A report we received a short time ago said that the Azerbaijanis lost many men and military equipment in their attack on Mekhmana. Four enemy armored vehicles were hit. The usurping units tried to cross the Terter River from (Khadim), which they occupied on 4 July. However, precision shelling by the Armenian self-defense artillery units forced them to retreat to their former positions. Dozens of Azerbaijani troops were killed. Initial reports said that there were no Armenian casualties in this clash.

Two Azerbaijani armored vehicles were hit and disabled in the (Shilli) base as a result of Armenian artillery shelling on 7 July. All this indicates that the situation is rather tense. Regardless of what may happen, the usurpers are trying to occupy new areas in Nagorno-Karabakh. However, they will not be able to achieve their objective. The Armenian residents in Nagorno-Karabakh are unyielding in fighting the usurpers and

obstructing their attacks and raids. We have no doubt that the Azerbaijanis will be forced to retreat from all the areas they have occupied.

A partisan movement is gaining strength in Shaumyanovskiy Rayon and other areas occupied by the Azerbaijan National Army. The soil under the feet of the occupationists will burn.

Armenia's border areas remain tense. [Placename indistinct] and the heights near it were fired on from the Nakhichevan Autonomous Republic on the night of 7 July. Two Armenians were killed in the attack. Fire was returned from the Armenian side. Two enemy firing positions were destroyed. Undoubtedly, there were casualties on the Azerbaijani side. The area was peaceful on the morning of 8 July. [passage indistinct]

Azerbaijan National Army units fire frequently on Armenia's Megrinskiy Rayon. Provocative activities are continuing without interruption in this area. Endere and [placename indistinct] in Megrinskiy Rayon were fired on with Grad rocket launchers from 1600 to 2200 on 7 July. No one was hurt and no damage was caused. Fire was returned and the enemy attack was warded off.

Kapanskiy Rayon is one of the most tense areas in the border region. The Azerbaijani brigands have been firing on the rayon for a long time now. Kapan was intensively fired on last night. No residents were hurt, but there was damage. The enemy side ceased firing for some time when the Armenian units retaliated.

Although the situation in the other rayons in the republic remains unstable, no incidents have occurred. Azerbaijan continues to use every opportunity to further strain the situation in Armenia's border rayons.

Peacekeeping Troops in Nagorno-Karabakh Approved

LD0907220492 Moscow Mayak Radio Network
in Russian 2000 GMT 9 Jul 92

[Text] The Republic of Armenia approves of the idea of sending CSCE peacemaking troops to Nagorno-Karabakh; this was expressed at the Helsinki meeting. However, it believes that their suggested observer status is insufficient. This was announced by the secretary of an Armenian parliament standing commission at a news conference in Moscow. According to him, if the peacemaking forces are armed, this would be a stronger security guarantee for the Nagorno-Karabakh population.

Chechens Reportedly Involved in Fighting

LD0907082592 Moscow Programma Radio Odin
Network in Russian 0730 GMT 9 Jul 92

[Text] According to unofficial information, an illegal recruiting center is operating in Grozny to recruit volunteers to participate in the Karabakh conflict on the side of Azerbaijan. Authoritative sources, wishing to remain unknown, confirmed to INTERFAX that Chechens are taking part in the military action in Karabakh.

Limited Gas Supplies Arrive From N. Ossetia

LD0407125192 Moscow Radio Rossii Network
in Russian 0700 GMT 4 Jul

[Text] The gas pipeline on the territory of North Ossetia which was cut a month and a half ago is back in service, the IMA press agency reports from Yerevan. At the moment about 2 million cubic meters of gas arrives daily in Armenia. It is just enough to satisfy the needs of the Yerevan TET's and the Razdan GRES. Delivery of gas to people's homes will begin after the necessary amount of reserves have been accumulated.

Newly Found Gold Deposits Reported

LD0507142992 Moscow POSTFACTUM in English
1141 GMT 5 Jul 92

[Text] Gold and molybdenum deposits found recently in Northern Armenia are 10 times richer than those near Agarak. According to the Pambak republican prospecting expedition, 600 million rubles need to be invested in the development of newly-found deposits, with 200 million to be invested in the development of gold deposits, which may yield 1.5 tons [as received] of gold annually.

Azerbaijan

Defense Ministry on Cease-Fire; Allegations

TA0907164692 Ankara TRT Television Network
in Turkish 1600 GMT 9 Jul 92

[Yavuz Yorulmaz report from Baku]

[Text] A statement issued by the Azerbaijani Defense Ministry Press Center declared that a cease-fire will go into effect in Karabakh as of midnight the night of 9 July. The statement denied Armenian allegations that the Azerbaijani National Army launched an offensive with 80 tanks in Karabakh's Akdere [Mardakert] region.

According to the statement, the villages of Kazakh, Taz, (Cedebe), Kelbadzhar, Lachin, Kubatli, and (Dengelan), which are along the common border between Armenia and Azerbaijan, have been subjected to heavy artillery fire by Armenia. The statement also noted that Armenia transferred 102 tanks and large quantities of artillery and troops to Karabakh via the Lachin corridor. The Azerbaijani Defense Ministry assessed those moves as an indication that Armenia is preparing a large-scale offensive against Azerbaijan.

Life 'Returning to Normal' in Border Rayon

NC0907194692 Baku Radio Baku Network
in Azeri 1700 GMT 9 Jul 92

[Text] Police Lieutenant Isfendiyar Mustafayev, officer on duty at the Terterskiy Rayon Internal Affairs Department, has informed our correspondent that life is gradually returning to normal in the rayon. The people who

fled their homes in the border towns are returning. Agricultural workers are working in the fields.

Reports from Agdere say that, regardless of the shots fired from Armenian towns in the Kel'badzharskiy Rayon, Azerbaijan National Army units are reinforcing their positions. They are suppressing the enemies' criminal activities and forcing them to retreat.

On the other hand, Police Major Bunyad Mamedov, head of the Fizulinskiy Rayon Internal Affairs Department, has informed our correspondent that the Armenian bandits continue to [words indistinct] and fire on the rayon's towns and residential areas with various types of arms. The enemy units have been intensively firing on Gadzhar from the Armenian-inhabited Kyrmyzy Bazar with automatic firearms, machine guns, and other types of weapons. Two members of the National Army have been killed and several others have been wounded.

Fizuli was hit with Grad rocket launchers, artillery, and tracked vehicles on 9 July. Several shells fell on the city during the attack. Several of the administrative buildings and [words indistinct] were damaged. Reports say that an effort is being made to determine the number of people killed or wounded. The [words indistinct] has been warded off with the help of the units affiliated with the Defense Ministry and the special militia forces.

National Army 'Fully Abiding' by Cease-Fire

TA1007052892 Ankara Turkiye Radyolari Network
in Turkish 0430 GMT 10 Jul 92

[Text] The Azerbaijani National Army is fully abiding by the cease-fire declared as of midnight last night. The Armenians, however, are reportedly continuing with their attacks in Nagorno-Karabakh and the border regions.

Basing its report on AZERINFORM, ANATOLIA claims that the Armenians have been firing on Kazakh, Tauz, (Dzedabek), Zangelan, and Kubatli intensively since last night, from the time the cease-fire went into effect.

In Helsinki on 10 July, the CSCE is expected to decide to send 100 observers to Nagorno-Karabakh on the condition that the cease-fire is respected there.

Truce 'Exploited'

LD1007081992 Moscow ITAR-TASS World Service
in Russian 0810 GMT 10 Jul 92

[Report by AZERINFORM-TASS correspondent]

[Text] Baku, 10 Jul—The press office of the Azeri president has made a statement. It says that, in response to Mario Raffaelli's call, the Azeri Government already gave its essential agreement to a cease-fire in the conflict zone on 7 July. Azerbaijan, the document says, decided to take unilateral actions [to call a cease fire].

But the temporary truce was exploited by Armenia once more to prepare a fully-fledged offensive on the territory of Azerbaijan. Right after declaring the Nagorno-Karabakh republic illegal de facto, Armenia used "the humanitarian corridor" to send in 102 tanks and a great deal of artillery. This, the statement says, shows that Armenia intends to use the truce to expand the war against Azerbaijan.

In the situation that has arisen, the document of the Azerbaijani press office says, those defending their territorial integrity will be forced to use appropriate measures.

Defense Minister on NKR

NC1007114192 Baku ASSA-IRADA
in English 0941 GMT 7 Jul 92

[Text] Baku, 10.07.92 (ASSA-IRADA)—The decision of the Armenian parliament not to consider Nagorno-Karabakh Republic [NKR] as a constitutive part of Azerbaijan means recognition of this non-existent republic, says the defence secretary's statement made public in the republican mass media on 7 July. It contradicts the bill of 'inviolability of borders' signed by the members of CSCE on July 8, 1992 as well as by the Armenian leadership. The transporting of armed vehicles and living forces from Armenia to mountainous part of Karabakh through the so-called humanitarian Lachin corridor is proceeding. The number of the heavy tanks reached 102. All this means that Armenian leadership hasn't left its policy of expansion towards Azeri lands.

The data of the last night witness in the favour of this conclusion. [sentence as received] Today beginning from one o'clock P.M., Azeri villages of Kazakh and Tauz Provinces were fired at from the areas of Noyemberyan and Berdsk Provinces of Armenia from different weapons. The villages of Fizuli, Agdam, Dzabrail provinces of lowland Karabakh were fired at from the fortified settlements of mountainous Karabakh populated by Armenians, ASSA-IRADA was told at the Analytical News Center of Azeri Defense Ministry.

Talks Held on Caspian Region Oil Pipeline

LD0607235492 Moscow ITAR-TASS in English
2027 GMT 6 Jul 92

[By AZERINFORM-TASS]

[Text] Baku July 6 TASS—Azerbaijan and Oman held negotiations here today [6 July] regarding the participation of Azerbaijan along with Kazakhstan in the capacity of one of the founders of the Caspian Sea region oil pipeline consortium. According to the initiators of this transnational project, it is aimed at ensuring outlets for Azeri and Kazakh oil to ports of the Black and Mediterranean Seas.

Countries, through territory of which the pipeline is designed to be laid, are also expected to join its construction work, including Russia. Representatives from Kazakhstan, which already consented to join the project, took part in the negotiations.

Oman's delegation left for Moscow today, where it will take part in talks on putting this project into practice.

Problems Halt Publication of Moscow Papers

PM0807142992 Moscow ROSSIYSKAYA GAZETA
in Russian 2 Jul 92 First Edition p 7

[Report by correspondent Arif Useynov: "News Vacuum"]

[Text] The Azerbaijan Publishing House, which prints the newspapers PRAVDA, IZVESTIYA, KOMSOMOLSKAYA PRAVDA, and RABOCHAYA TRIBUNA in Baku, is sustaining heavy losses owing to late payment by these publications of contractual debts for printing the newspapers. They have nothing to pay the print and transportation workers with. The debt, which amounts to more than 1 million rubles, has forced the Baku print workers to stop printing Moscow newspapers. This complex story involving debts has another, less comforting aspect. Because the Moscow editions have gotten more expensive, thousands of readers in Azerbaijan have refused to pay high surcharges, which practically deprives the Moscow newspapers of a news outlet in Azerbaijan.

The news vacuum mirrors political and economic realities across the CIS. Retail sales of ROSSIYSKAYA GAZETA are planned in the near future in a large specialized newspaper kiosk in downtown Baku.

Georgia

Gamsakhurdia Loyalists Kidnap Deputy Premier

OW0907155092 Moscow INTERFAX in English
1544 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] On July 9 Gamsakhurdia's supporters blew up a car with the deputy Prime Minister of Georgia, Chairman of the State Committee on interethnic relations and security of human rights Aleksandr Kavtsadze. It happened near village Kanti on the border of the Tsalendzhikh and Chkhorotskuls regions, the press center of the Georgian State Council told "IF" [INTERFAX].

The driver died. Kavtsadze, the chairman of the regional board and the chief physician of the region who accompanied him were captured as hostages. There is no information about them yet.

The press center reported that the detachments of the governmental forces supported by helicopters are pursuing the attackers.

Shevardnadze Condemns Kidnapping

LD1007110192 Moscow Russian Television Network
in Russian 1000 GMT 10 Jul 92

[From the "Vesti" newscast]

[Text] Eduard Shevardnadze has condemned the kidnapping of Kavtsadze, the deputy chairman of the Georgian State Council. He said that such actions can be classed as terrorist acts.

It is thought that the kidnapping was carried out by Gamsakhurdia's supporters.

Search for Kavtsadze Unsuccessful

LD1007081492 Moscow ITAR-TASS in English
0740 GMT 10 Jul 92

[By ITAR-TASS correspondent Andrey Yarushin]

[Text] Moscow July 10 TASS—A search for Aleksandr Kavtsadze, Georgian deputy prime minister, has been futile so far, a spokesman for the secretariat of head of the Georgian State Council Eduard Shevardnadze told ITAR-TASS by telephone. Kavtsadze's car was blown up on Thursday [9 July] in Western Georgia, near the village of Kanti. One of his companions was killed.

His brother Iosif whom ITAR-TASS contacted by telephone said that the act of terrorism and the kidnapping were the doing of Gamsakhurdia's supporters who, in his opinion, "wish to exchange Aleksandr for their people."

Further Details of Kidnapping

OW1007122792 Moscow INTERFAX in English
1027 GMT 10 Jul 92

[Transmitted via KYODO]

[Text] The press service of the Georgian State Council confirmed the fact of capturing the republican Vice Premier Nodar Kavtsadze as a hostage by the supporters of the ousted president Zviad Gamsakhurdia.

The Zviadists blew up the car where Kavtsadze was on July 9. It happened near village Kanti on the border of Tsalendzhikhsk and Chkhorotskulski regions of Georgia.

According to available information, the chairman of the regional department of Chkhorotskulski region Kandid Gogua but not the driver died in this accident. The driver, the chief physician of this region, and Kavtsadze were taken as hostages.

The press service stresses that Kavtsadze was going to the negotiations with the supporters of the Georgian ex-president.

At present more than 1000 combatants of "Mkhedrioni" and soldiers of the Georgian internal forces are participating in the rescuing operation. The press service has no information on whereabouts of the Georgian vice premier as yet.

*** An arsenal of weapons and ammunitions was confiscated from the houses of the local citizens in Tsalendzhikha on July 9 where the Zviadists found shelter after their July 6 offense failed. (The supporters of Gamsakhurdia surrounded a "Mkhedrioni" detachment headed by the deputy chairman of the Georgian State council Jaba Ioseliani in Tsalendzhikh on that day).

Jaba Ioseliani who was at the head of the operation and who is a leader of "Mkhedrioni" said "that nobody will be forgiven as they were asked many times to lay down the weapons". A large group of prisoners was delivered to Tbilisi on Thursday.

A curfew is introduced in Tsalendzhikha beginning July 9. It will be in force from 20.00 till 6.00.

Gamsakhurdia Supporters Blamed for Damages

OW0907150892 Moscow INTERFAX in English
1303 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] Georgia's Prime Minister Tengiz Sigua has revealed at his meeting with local authorities in Zugdidi that the criminal activities by supporters of the ex-President Zviad Gamsakhurdia have resulted in a total damage of Rb 8 bn [8 billion rubles], 3.5 of them falling on Armenia as rail cargoes for that republic were robbed by Zviadists while passing Georgia. The premier accused Zviad Gamsakhurdia of personally directing those destructive actions.

Tengiz Sigua added that "the bandits who attacked the Mkhedrioni unit on July 6 are sheltering in the forests". Some of them, he said, have returned to their homes, but most of them have been identified and will be arrested in 7-10 days. He said the Interior Ministry was in full control of the motor road from Kutaisi to Zugdidi, and the rail traffic has resumed.

Independence From CIS To Be Preserved

LD0707084392 Budapest MTI in English
0820 GMT 7 Jul 92

[Text] Budapest, July 7 (MTI)—Georgia will preserve its independence, Georgian [State Council] President Eduard Shevardnadze told Hungarian Television in Tbilisi. In the interview, carried in the Tuesday issue of NEPSZABADSAG, Shevardnadze said:

"The Georgian people would oppose the idea of joining the Commonwealth of Independent States. In my view, it would yield no advantages for Georgia. Abstaining from the CIS does not prevent Georgia from developing good relations with Russia, the Ukraine, Kazakhstan and the neighbouring states. Moreover, it would probably develop even closer ties with these states than it could in the framework of a community."

Asked about Georgia's admission to the United Nations, Shevardnadze said:

"The United Nations' decision on Georgia's application to join is only a few days off and I think there is no reason for it to be rejected. Although there were some difficulties with Russia, a permanent member of the Security Council, in Sochi we clarified all the issues of contention and Yeltsin guaranteed that Russia would not pose any obstacle to Georgia's UN membership. Should Russia continue to hinder us, it would lose a great deal of its political prestige. So, I don't think that it would do that."

Three-Way Talks Continue in Tskhinvali

OW0907163392 Moscow INTERFAX in English
1544 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] Three-way talks continued in Tskhinvali Thursday [9 July] between representatives of the command of Georgian, Ossetian, and Russian military units. The representatives are discussing creating a buffer zone between the opposing sides. The talks are being held at the Russian helicopter regiment stationed in Tskhinvali.

Observers said the talks were in danger of being interrupted Thursday morning when the commander of the Georgian National Guard Colonel Chankotadze demanded that five prisoners taken 10 days ago by Ossetians be released. Two hours later, after South Ossetian officials convinced Chankotadze that the prisoners had been released, the talks continued.

Ossetians Eager for Peacekeeping Force's Arrival

LD1007103292 Moscow ITAR-TASS in English
1002 GMT 10 Jul 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz July 10 TASS—Residents of South and North Ossetia are looking forward to the arrival of a peace-keeping force in the conflict zone, which is expected no later than July 14.

According to the information of the South Ossetian parliament and the North Ossetian Security Ministry, residential areas of Tskhinvali were shelled last night from the outskirts of Georgian villages. One person was killed and three wounded. The situation around the town of Znaur aggravated again. It was shelled throughout last night. Znaur, abandoned by its residents, is being defended by several dozen Ossetian guards.

According to South Ossetian Minister of the Interior Vladimir Kochiyev, some 40 people were killed and some 100 civilians were wounded in the area of Tskhinvali after the signing of the Dagomys agreement.

Chairman of the South Ossetian parliament Torez Kulumbekov sent a telegram to the Russian leadership asking to speed up the arrival of a mixed peace-keeping force in the conflict area, because fighting is continuing there.

Government Troops 'in Control' of Tsalenjikha

*AU1007091892 Tbilisi Radio Tbilisi Network
in Georgian 0800 GMT 10 Jul 92*

[Text] What is the situation on 10 July in Tsalenjikha? Our reporter spoke on the phone with Vladimir [name indistinct], commander of Tsalenjikha.

[Begin recording] Last night, there was sporadic shooting in Tsalenjikha. There were no direct attacks by the enemy. They were firing from far away. They were bothering us, but we gave as good as we got. The Mkhedrioni [paramilitary formation] and the internal troops are totally in control of Tsalenjikha. There are about 1,000 of us. Operations are to be carried out; in fact they have started already. Everything is pointing to the fact that the situation is stabilizing and people are beginning to live normally. True, we are not receiving assistance and understanding from the whole population, just some. People realize that they cannot live like this anymore and, to tell the truth, they are (?fed up); they want to live and work normally. [end recording]

Government Decree on Forcibly Displaced Persons

*AU0907130792 Tbilisi SAKARTVELOS
RESPUBLIKA in Georgian 20 Jun p 2*

["Decree of the Republic of Georgia State Council on the Status of Forcibly Displaced Persons," issued in Tbilisi on 17 June]

[Text] The Decree on the Status of Forcibly Displaced Persons is determined by the legal, economic, and organizational bases of implementing the rights of those persons permanently residing in the Republic of Georgia who have been forced to leave their permanent place of residence and who have migrated within the territory of the Republic of Georgia.

Article One. Forcibly Displaced Persons

A forcibly displaced person is viewed as one who has been forced to leave his permanent place of residence because his life, or freedom, or that of the members of his family have been endangered as a result of widespread violence in the country, aggression by a foreign country, internal conflicts, the massive violation of citizens' rights, or his political views, race and nationality, language, religion, or social situation.

Article Two. The Recognition of a Person as Being Forcibly Displaced

A person will be recognized as being forcibly displaced by the Republic of Georgia Ministry of Labor, Social Protection, and Demography.

A person who leaves his permanent place of residence as a result of the reasons enumerated in Article One of this decree can petition the Republic of Georgia Ministry of Labor, Social Protection, and Demography, which will

decide within one month the question of his recognition as a forcibly displaced person.

A person who is being sought as a suspect in the commitment of a criminal offense cannot be viewed as a forcibly displaced person.

In the event of a person being recognized as forcibly displaced, he will be given a certificate according to the established pattern indicating a temporary place of residence.

It is possible to appeal in legal form against the refusal of recognition as a forcibly displaced person.

Article Three. The Legal Position of Forcibly Displaced Persons

Forcibly displaced persons enjoy the same rights and assume the same obligations as they had in their permanent place of residence.

Article Four. Assistance to Forcibly Displaced Persons

The Republic of Georgia Ministry of Labor, Social Protection, and Demography together with corresponding departments and local organs of administration are to render assistance to forcibly displaced persons so that their rights are guaranteed.

Article Five. Interrelations Between the Republic of Georgia Ministry of Labor, Social Protection, and Demography and Local Organs of Administration

The Republic of Georgia Ministry of Labor, Social Protection, and Demography is to render assistance to forcibly displaced persons via local organs of administration.

The local organ of administration is to provide vital initial assistance to forcibly displaced persons and resolve questions relating to their resettlement and employment, simultaneous financial assistance, pensions, and also the education of children and youths.

The financial and material security of local organs of administration, in order to implement the measures indicated in the second part of this article, are provided by the Republic of Georgia Ministry of Labor, Social Protection, and Demography from resources taken from an assistance fund created by it.

Article Six. The Assistance Fund for Forcibly Displaced Persons

With the aim of assisting forcibly displaced persons, there will be an assistance fund attached to the Ministry of Labor, Social Protection, and Demography whose financial resources will come from state budget funds and also donations from enterprises, organizations, establishments, associations, cooperatives, and other juridical and physical persons. The Republic of Georgia Government will determine the financial amount from the state budget and the rules for using the fund's resources.

Article Seven. Loss of the Status of a Forcibly Displaced Person

A forcibly displaced person loses this status in the following cases:

If he returns to his first place of residence.

If he settles in a new place of residence.

If the reasons for his recognition as a forcibly displaced person that are established in Article One of this decree no longer exist.

The Republic of Georgia Ministry of Labor, Social Protection, and Demography is to decide the question of the loss of the status of a forcibly displaced person.

Article Eight. Guarantees for Restoring the Former Rights of Forcibly Displaced Persons

If, in connection with the fact that there is a change in the situation, a forcibly displaced person returns to his former place of residence, his immovable property (house, apartment) will be given back to him and he will return to his place of work or be given employment equivalent to that which he had before. Pupils and students will return to their educational institutions. If the house (apartment) has been destroyed or it is dangerous to live in, those guarantees determined by Article Five of this decree will extend to these citizens.

Article Nine. Responsibility for Violation of the Decree

A person violating the Decree on the Status of Forcibly Displaced Persons is held responsible in accordance with the legislation of the Republic of Georgia.

[Signed] E. Shevardnadze, chairman of the Republic of Georgia State Council

V. Gogvadze, secretary of the Republic of Georgia State Council

[Dated] Tbilisi, 17 June 1992

Estonia

Petrol Bomb Hurlled at Russian Embassy

LD0907123192 Moscow ITAR-TASS in English
1132 GMT 9 Jul 92

[By ETA-TASS]

[Text] Tallinn July 9 TASS—An unidentified man hurled a petrol bomb at the balcony of a building housing the Russian Embassy here on Wednesday [8 July] night. The bomb, luckily, did not explode. It smashed against the wall. No one was hurt and no damage was done.

The embassy staff immediately notified the police. A suspect was detained on the same night but Tallinn police maintain this was the wrong man, for police have available a description of the true culprit of the incident.

The newspaper POSTIMEES writes with reference to embassy staff that this was a fifth hooligan act against the Embassy of the Russian Federation over the past two months. In an Estonian television interview, embassy staff specified that rowdies had smashed windows in the embassy building and had torn up the Russian flag.

The Russian Embassy delivered a note to the Estonian Foreign Ministry in a demand for the maintenance of law and order around the embassy building.

Russian Embassy Asks About Deserting Soldier

OW0807192092 Moscow BALTFAX in English
1751 GMT 8 Jul 92

[Transmitted via KYODO]

[Text] The Russian embassy in Tallinn has sent a note to the Estonian Foreign Ministry requesting to report the name of a soldier who asked the Estonian authorities Monday [6 July] to grant him the political asylum and help him get American visa, as well as the number of his unit. So far, the Estonian side has been refraining from giving any information about the soldier to ensure his safety.

As BF's [BALTFAX's] correspondent was told at the U.S. Embassy in Tallinn, the 19-year-old soldier, resident of Sverdlovsk, "does not have the status of a political refugee". "The question whether he can be granted visa should be resolved by the U.S. Ambassador and the Estonian foreign minister, of course, if the Estonian side comes up with the corresponding proposal".

Further on Military Camp Violations

PM1007115192 Moscow IZVESTIYA in Russian
8 Jul 92 Morning Edition p 2

[Report by Leonid Levitskiy: "Breaking Into Military Camps"]

[Text] Tallinn—A Kaitseliit detachment has broken into a naval seamen's camp near Haapsalu.

The attackers had plenty of weapons, from pistols to machineguns. They were trigger-happy, pumping ammunition into the darkening sky. To no avail, the camp was guarded by a warrant officer and an ordinary seaman, both unarmed. All the breaking of glass was futile too—there was no resistance. The warrant officer was asked to hand over weapons and ammunition, but since there were none, the victors left, taking with them five special chemical vehicles.

Kaitseliit, having promised to give the Russian Army no peace as long as a single occupier remains on Estonian territory, is keeping its word. Following the events near Haapsalu on the night of 4-5 July, another detachment armed with assault rifles captured stores of technical facilities in Arakyula [name as transliterated]. Captain 2d Class N. Rachkovskiy refused to meet the intruders' demands.

Half an hour later the Kaitseliit leaders arrived at the facility. They called off the spontaneous action and ordered the riflemen to leave the stores area. The fighters took up position outside the perimeter fence.

Training of Army Troops Begins in Finland

LD0807222792 Helsinki Suomen Yleisradio Network
in Finnish 1500 GMT 8 Jul 92

[Excerpts] The training of Estonian soldiers, which has started in Finland, will speed up the establishment of an Estonian army. A three-week training course is under way at the Lappeenranta Officers' Academy. On the basis of this course, some of the trainees will be chosen for further training. Those trained in Finland will, in time, become trainers in the Estonian defense forces.

Following the training course at the Lappeenranta Officers' Academy, which started at the beginning of the month, 10 of the 30 trainees will be chosen for further training at the Hamina Military College and 10 will be chosen for the Lappeenranta Officers' Academy. In other words, one third of the trainees will be eliminated and sent back to Estonia.

Leo Kunnas, a 24-year-old student at the training course, did military service in the Soviet Army and is platoon commander in the civil guard. Kunnas thinks that the training in Finland is of high quality. [passage omitted]

The formation of an Estonian defense force is only in the initial stage. For the time being, the Civil Guard, which was set up as the government's guard troop, is the country's only armed force worth mentioning. The first step in strengthening the defense force is to establish a frontier guard. In the future, it is intended to raise the army's strength to about 15,000 men, about half of the Finnish Army's strength.

The soldiers who have received their training in Finland will in time work as trainers in the Estonian Army. The

road is still long; Estonia suffers an acute shortage of any military equipment. The continuing presence in Estonia of tens of thousands of Soviet troops is another problem. [passage omitted]

In connection with the CSCE, it has just been decided that Estonia and Russia will start bilateral talks on the departure of Russian troops from Estonia. The training of Estonian soldiers costs Finland well over 1 million Finnish markkas. The training is part of its aid to the Baltic countries, and it does not include weapons or other deliveries.

Talks on increasing the training of Estonian soldiers in Finland will probably be held in the fall of next year.

Northwestern Border Guards Man Ivangorod Post

*OW0807191892 Moscow BALTFAX in English
1751 GMT 8 Jul 92*

[Transmitted via KYODO]

[Text] According to "REFAK" news agency, since July 7 a border post in Ivangorod on the Russian-Estonian frontier has been guarded by the Kingisepp unit of the Russian Northwestern border district along with the OMON [special purpose militia detachment].

Vice-commander of the Kingisepp customs service Vasilii Moiseenko could not explain the reasons for this move to BF's [BALTFAX's] correspondent. He just suggested that the border guards appeared in Ivangorod at the initiative of the local authorities.

Moiseenko said that there has been no new orders from Moscow since Estonia introduced the visa regime. The only change is that on July 1 Russia established a temporary import duty on Estonian goods (from 5 to 50%).

Council Approves Presidential Elections Statute

*OW0907125692 Moscow BALTFAX in English
1229 GMT 9 Jul 92*

[Transmitted via KYODO]

[Text] On July 9, the Estonian Supreme Council approved the statute "Election of the President of the Estonian Republic". In compliance with the Statute, running for president can be all the Estonian-born citizens of the country of at least 40 years of age. [sentence as received] In order to secure a nomination, a candidate is required to collect the signatures of at least 10 thousand people. The nomination campaign will end 40 days prior to the election date. After the candidate has passed the registration, his agreement to ballot cannot be revoked.

If no candidate receives half of the electors' votes, the president will be elected by the State Assembly.

The law "On the Enactment of the Constitution" approved in the course of the referendum of June 28

envisages that, as an exception, the first president will be elected for the term of four years simultaneously with the State Assembly by general direct voting. The right to take part in the elections will be granted to all the citizens of age of the Estonian republic.

[Moscow ITAR-TASS in English at 0732 GMT on 10 July reports that the Supreme Soviet announced the day of the election—Sunday, September 20—by unanimous decision.]

Council Passes Oath Law for Public Officials

*OW0807190992 Moscow BALTFAX in English
1751 GMT 8 Jul 92*

[Transmitted via KYODO]

[Text] The Estonian Supreme Council has passed a law "On the oath-taking procedure", under which a person running for president, deputy of parliament or official of local administration, as well as those running for top government positions, should take the oath that he/she has never served in security bodies, military intelligence and has never been involved in reprisals against citizens for their political views.

Lithuania

Last Russian Military Unit Leaves Vilnius

*LD0807223492 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 2000 GMT 8 Jul 92*

[Video report by L. Lvova; from the "Novosti" newscast]

[Text] This evening the last troops—yet another former Soviet Army unit from the Higher Military School of Radio Electronics—left Vilnius. The Higher Military School of Radio Electronics, founded in Vilnius in 1971, was one of two educational establishments of this type in the USSR Ministry of Defense. Every year 400-500 students graduated from it. Approximately 1,500 lecturers and other personnel worked there. The 40 remaining students and military veterans attended the ceremony of lowering the Russian flag.

The radio electronics school has moved to St. Petersburg. It will now house a school to protect Lithuanian territory. On 15 July, entry examinations will start. This year 350 graduates from secondary educational institutions and higher educational institutions in Lithuania will study here.

Stankevicius on 7 Jul Trade Talks in Moscow

*LD0907092292 Vilnius Radio Vilnius Network
in Lithuanian 1410 GMT 8 Jul 92*

[Excerpts] At the 8 July plenary Supreme Council plenary session, Deputy Chairman Ceslovas Stankevicius submitted information about the 7 July meeting in

Moscow with the leaders of the Russian Federation. Here is his recorded speech:

[Stankevicius] At the meeting on 2 July the information was supplied from this rostrum that Russia has introduced a new system of settling accounts in international trade and that because of this Lithuania is facing important problems. [passage omitted]

The meeting with Russian representatives took place without the president being present. It took place at Prime Minister Gaydar's office and lasted for about two hours. [passage omitted]

Lithuania has been conscientiously fulfilling its agreement with Russia. But Russia's partners, its economic subjects, have not been making their payments to the Republic of Lithuania very promptly. Payments have been delayed. The Russian Government failed to ascertain that debts are paid first. By 1 July the Russian Federation's debt to the Republic of Lithuania increased to approximately 11 billion rubles [R]. Because of this Lithuania's enterprises have been experiencing difficulties in making payments to their Russian partners. But Lithuania's debt was much smaller and is about R2.3 billion. Thus the balance of mutually unpaid accounts totals R8.7 billion in favor of Lithuania, that is, Russia's debt is R8.7 billion higher than Lithuania's debt to Russia. [passage omitted]

We had prepared solutions and proposed that the Russian Government agree that the governments act quickly to pay these debts, and that later each country should take care that settlements take place between economic parties.

The point is that from 1 July the Russian Government introduced a new order of payments. This order has been applied to the Republic of Lithuania, too, in spite of the fact that there is a bilateral treaty, the second article of which says that a special agreement would be signed concerning settlements and payments. But Russia did not wish to sign this agreement. It has not been signed, and starting 1 July the order of settlements for the ruble zone countries was applied to settlements with the Republic of Lithuania. [passage omitted]

I must say that we did not succeed in achieving the expected results and the Russian Government did not agree with our proposals; no solutions have been found.

The Russian Government does not give guarantees and does not help to eliminate mutual economic debts. It leaves all of this to economic subjects, but admits that the problem of debts exists and that it must be solved.

We wanted to solve it without delay, obtain money which belongs to us, and settle accounts with Russia. We also stated that such high debt puts us in a very difficult situation and compels us to take measures to ensure goods turnover and the fulfillment of trade agreements.

As I have already said, our explanations and our information were understood, but our proposals were not

accepted by the Russian premier. We only agreed that Russia will obtain information about these accounts, but the premier said that much more time was needed for this. And, indeed, the prospects for debt regulation did not become clear.

We wanted to suggest again that the Russian Government give guarantees, but not by taking action on the elimination of past debts. It did not wish to give guarantees on the present payments. Thus from 1 July, since there are no guarantees, goods probably cannot be sold on delayed payment. [passage omitted]

Russia does not deny that payments must be made. After the introduction of the new payment system, which is very centralized, all payments must be made through a centralized state account. Russia is introducing a centralized control of mutual payments, but, as I have already stated, it refuses to give centralized guarantees. [passage omitted]

The premier said that after reviewing the balance of mutual debts, the balance would be written into corresponding accounts. It is unfortunate that this cannot be done quickly. On the other hand, having introduced new conditions of payments and unilaterally fixing various prices, the Russian Government is unilaterally revising the Lithuanian-Russian trade agreement for 1992. [passage omitted]

As far as prices are concerned, Russia abolished the present system of most favored nation status and basically imposed on us the transition to world prices. Lithuania has, until now, been purchasing products at pre-agreed prices. Now products sold to Lithuania, especially raw materials, will be at prices existing on the world market. [passage omitted]

Thus agreements between Lithuanian economic partners and Russian economic partners will have to be revised and conditions changed. I think that all of this has a very negative influence on Lithuanian-Russian trade. It shakes it a great deal or even destroys the existing order. Thus trade may be much more difficult.

After the premier refused to take steps to eliminate mutual debts, we asked for such efforts to be applied as far as food products are concerned, but we did not receive any promise. Thus, trust in the trading partner is undermined and the guarantees are left to the partner enterprises to cope with. [passage omitted] The only remaining guarantee, as I understand, is payment in advance. But the mechanism of payment in advance through the centralized account—bearing in mind the ineffective communications—will be, I think, difficult. [passage omitted]

The premier said that we should supply products to those who pay—I refer to Premier Gaydar. [passage omitted]

We agreed with the premier that meetings between government representatives will take place soon, maybe this week or next week, and that these documents will be signed as soon as possible.

As far as oil is concerned, our proposal to adhere to the same regime as in the first half of the year was not accepted. The price of oil and the conditions of payment have not been defined. The minister of power engineering and his deputy remained in Moscow to continue negotiations with Russia. [passage omitted] Russia told us that in the second half of the year the world market prices for oil would be applied to Lithuania. [passage omitted]

I will repeat that when we speak about payments, Russia's representatives mentioned the present dollar to ruble exchange rate on the stock exchanges. These are far less favorable conditions than at present. If I am not mistaken, last month the price of oil reached about R7,000. It appears that in July it will be even higher and will increase gradually.

The Russian Government said that, if need be, it will grant credit to Lithuania to cover this difference in price, or delay part of the payment. But we understand what this credit would mean to Lithuania. It would mean certain dependence for a long time to come.

This is all the information I can supply at present. I cannot be more specific because Lithuanian Government representatives and experts are working on preparing concrete agreements with Russia and, as I said, negotiations will continue.

In the afternoon I met with the head of the negotiating delegation, Ambassador Isakov. We talked about the problems of the negotiations. We did not intend to agree on something. [passage omitted] The ambassador said that he will take care that agreements are reached. We agreed that about the middle of July Russia's military experts will come here to discuss the schedule for the withdrawal of the Russian Army and an agreement. Allow me thus to conclude.

Prime Minister Comments on Russian Debt Payment

OW0907174092 Moscow INTERFAX in English
1629 GMT 9 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] Lithuanian Premier Gediminas Vagnorius said that republican enterprises can limit or cancel supplies to Russian consumers who have not paid off their debts. He said the Lithuanian government recommended them to demand that the debts be paid by goods which then would be sold through the government.

Gediminas Vagnorius said that yesterday [8 July] the government had discussed measures to improve the

mechanism of mutual payments between Russian and Lithuanian enterprises, after the Central Bank of Russia closed all Lithuanian companies' correspondent accounts on July 1.

The Lithuanian Premier said his republic would insist on Central Bank of Russia's reopening of the accounts which must contain at least 10 billion rubles necessary to redeem the debts to the Lithuanian industry. He said his government hopes Russia understands the fact that "demands to pay for the products supplied were an issue of intergovernmental relations, and must be resolved in an adequate way".

Gediminas Vagnorius said his government would ask Russia to settle the matter as soon as possible.

Parliament Approves Elections Statute

OW0907125792 Moscow BALTFAX in English
1229 GMT 9 Jul 92

[Transmitted via KYODO]

[Text] Following a series of long and strained discussions, on Wednesday [8 July] the Supreme Council of the Lithuanian Republic adopted the new Elections Statute. It envisages that elections to the Sejm of the Lithuanian Republic - such will be the name of the republic's new parliament - will be based on the principle that 71 deputies will be elected from single-ballot constituents, and 70 from multi-ballot constituents, where the republic's citizens will cast ballots voting for the lists of political parties and social movements.

The Statute also introduces new rules, such as a provision that the ballot boxes will no longer be delivered to the homes of those who cannot turn out at then polling stations for various reasons. Instead, they will be given an opportunity to send their ballots by mail a week prior to the designated elections date. The residence census for the candidates to the Sejm deputies has been set to 3 years.

Later in the day, the parliament is expected to vote on the election date of the new parliament. As of now, the deputy factions have tentatively agreed to hold the elections on October 25.

Parliamentary Elections Set for 25 Oct

OW1007054492 Moscow BALTFAX in English
0534 GMT 10 Jul 92

[Transmitted via KYODO]

[Text] The Lithuanian Parliament, which declared independence March 11, 1990, will surrender its powers in late October. This decision was reached in a plenary session today.

The deputies voted to hold elections to the Sejm, the new parliament, on October 25. A referendum on a new Lithuanian Constitution is set for the same day.

Agriculture Minister Gives Harvest Predictions

*LD0807194892 Vilnius Radio Vilnius Network
in Lithuanian 1400 GMT 8 Jul 92*

[Excerpt] The regular cabinet meeting on 8 July, chaired by Prime Minister Gediminas Vagnorius, started with an assessment of the situation in Lithuania, and first of all with the impact of the drought on agriculture.

Minister of Agriculture Rimvydas Survila presented the government with a report on the situation in agriculture. His report included some statistics which give the best description and prognosis of the state of agriculture.

[Begin Survila recording] According to specialists, in comparison with 1991 the yields will be as follows: grain—55 percent, sugar beet—76 percent, flax—42 percent, rape—38 percent, potato—67 percent, and vegetables—55 percent; and the yields of forage crops will be: maize—45 percent, silage crops—53 percent, hay—about 90 percent, cultivated meadows and grazing land for grazing—about 45 percent. Those are the figures.

The drought continues, because the precipitation rate has been 5-20 percent of the norm. Perhaps Pakruojis, Mazeikiai, Akmene, Siauliai, Joniskis, and Radviliskis rayons—and recently also the Varena rayon—can be considered an exception. However, the necessary amount of moisture has not been reached, and therefore the situation of a significant part of our spring crops, sugar beet, flax, and other sown crops is bad and continues to deteriorate. The spring crops are developing poorly, the grains of the winter crops are smaller and so, of course, will be the yields. At the moment, the prognosis for the yields of grain crops is only 1,600-1,650 kg per hectare and the general grain yield will be about 1.8-1.9 million tonnes—last year this figure was 3.34 million tonnes—and this is 55 percent of last year's level.

Somewhat more sugar beet has been sown this year, which is a very important crop for us, and also more flax. However, the prognosis of the final figures, as I said, indicates that the situation with these crops also continues to deteriorate. Last year's harvest of sugar beet was 800,000 tonnes; this year we can hope for no more than 550-600,000 tonnes. Last year we were able to produce 40 percent of our required supply of sugar; the proportion this year will depend on the yields.

This year we planted almost as many potatoes as last year, and if it rains in the next few days, the potato yield could be satisfactory. However, it will be only about 1 million tonnes, which is undoubtedly less than last year.

The time for mass purchasing of agriculture products has come. Most purchasing enterprises and organizations do not have [indistinct word] funds to purchase the products in season. For this purpose, credits of 7-8 billion rubles will be needed. Without these credits, the purchase of grain, sugar beet, potatoes, vegetables, and fruit will be thwarted.

Some purchases of these crops have already been thwarted. For example, the purchase of berries and similar products might have been completed already, but due to (?financial difficulties), most organizations refused to make purchases [passage indistinct]. [end recording]

[Presenter] What is most disappointing is that we cannot help one another in this difficult situation. We do not have the resources, there are no funds, and no help can be expected from our best neighbors.

As you know, the government has decided to set up a state commission to assess the effects of the drought on agriculture. [passage omitted]

Fund Created to Overcome Drought Problems

*LD0907210492 Vilnius Radio Vilnius Network
in Lithuanian 1800 GMT 9 Jul 92*

[Excerpts] The republican government has decided to create a separate fund to overcome the consequences of the drought in agriculture. It will consist primarily of a 50 percent credit issue and of 50 percent funds obtained from the credit issue interest. This will amount to about 7.5 billion rubles. Another 4 billion rubles will be obtained by selling by the method of welfare [as heard] grain received (?from 1 July) and other products. Other sources of creating the fund have been envisioned, too.

The fund will be used to pay additional subsidies for agricultural products sold to the state and to consumer cooperatives, for payments to juridical and physical persons owning on 1 January 1993 pedigree animals of the basic herd and cows in calf, and for partial compensation of lost harvest because of drought. [passage omitted]

The government is also preparing other immediate measures to eliminate the consequences of drought. The European Community has been asked to help.

Country May Be Declared 'Disaster Zone'

*OW1007062592 Moscow BALTFAX in English
0518 GMT 10 Jul 92*

[Following item transmitted via KYODO]

[Text] Lithuania may be declared a disaster zone due to severe drought conditions in the republic, Minister of Agriculture, member of the state committee on the drought Rimvydas Survila said in an interview with "BF" [BALTFAX]. Mr. Survila said Lithuania stands to lose half of its grain harvest this year.

The government said that a minimum of 11 billion rubles or 120 million dollars are needed to cover the losses. The republic hopes to receive a portion of this in loans from international organizations, Mr. Survila said.

Premier Announces Credit From World Bank

*OW0807161692 Moscow BALTFAX in English
1323 GMT 8 Jul 92*

[Transmitted via KYODO]

[Text] The World Bank has allocated to Lithuania a credit amounting to \$56 mn [million], said Lithuanian prime minister Gediminas Vagnorius in an interview in the Vilnius airport upon his return from Washington on Tuesday [7 July].

Mr Vagnorius revealed that in the course of his meeting with the World Bank managers on July 6 the parties also reached an agreement that the World Bank would provide financial support to the development of certain branches of the Lithuanian industry. In particular, the

investments will be channeled into building an oil terminal near Klaipeda and refurbishing the oil refinery in Mazeikai. In the words of the premier, the World Bank experts are expected to visit Lithuania to appraise the projects on location.

The Lithuanian prime minister does not exclude a possibility that the World Bank would also concede to allocate a credit to Lithuania to bolster the republic's agriculture: according to the preliminary estimates, the harvest this year will be much lower than planned due to a prolonged draught this summer. This issue will be addressed with the World Bank leaders separately in Brussels on July 10 where the Lithuanian delegation will come to attend a conference of the European Economic Community.